

## NAIC Adopts New Mortality Table, To Study Twisting

From the life insurance standpoint, the principal accomplishment of National Assn. of Insurance Commissioners at its midwinter meeting in New Orleans was the adoption, after two years of preliminaries, of a new mortality table. Actually, this took place in a routine fashion, all the controversy on the subject having been exhausted a year ago; but it constituted the big news of the meeting for the daily press, which featured quotes on life expectancy, etc., that were dished out at a press conference at the Roosevelt Hotel as the convention ended.

The table adopted is the original table X-17, "rebuilt." All that remains to be done is to get the table enacted into law in the states.

As an association, NAIC granted the request of Harrison of Texas that the three members of the Texas board of commissioners, in addition to himself as insurance commissioner, be granted membership in NAIC. However, the Texas representatives will have just one vote.

The schedule of meetings calls for the next meeting, June, 1959, to be at Boston; the December, 1959, meeting in Florida; the June, 1960, meeting

in San Francisco; the December, 1960, meeting at New York City; the June, 1961 meeting at Philadelphia; the December, 1961 meeting is open, and the June, 1962, meeting will be at Montreal.

As the convention closed, the vice-president, Hammel of Nevada, expressed the regrets of the association of the loss of so many commissioners following the November election. He thanked the departing members for the work they have done, and his remarks drew the loudest applause of the convention.

### 'Serious Problem' Quoted

At the meeting of the life committee, Sheehan of Minnesota, the chairman, brought up "what appears to be a very serious problem, the matter of replacing life policies to the detriment of the insured," a practice better known as "twisting." The outcome of this was a recommendation that a subcommittee be formed to consider the adequacy and administration of the anti-twisting laws "and problems pertaining to deceptive sales presentation of special forms of policies."

Four other subcommittees attached

(CONTINUED ON PAGE 19)

## Arch Northington Forced To Resign As Tenn. Commissioner

Commissioner Arch E. Northington of Tennessee has been forced to resign his position



Arch Northington

in a political dispute over automobile rates. He is president of National Assn. of Insurance Commissioners.

Mr. Northington had recently granted a rate increase for auto insurers after about 18 months of political backstage maneuvering. He had to withdraw the approval under political pressure only a few days ago, and call for a public hearing Dec. 22. It is understood Gov. Clements, who is leaving office Jan. 19, did not want an insurance rate increase in his administration, and there was an impasse. Mr. Northington had to get out.

There was no hearing Dec. 22, but one has been set for Jan. 5. By the time action is taken resulting from that, Gov. Clements will be out of office.

Included in the rate revisions, as filed by National Bureau of Casualty Underwriters, was a reduction in the production cost allowance from 25 to 20%. This is believed to have created agent opposition to the revised rates, although Mr. Northington is a former agent and for a while was "honorary vice-president" of the Tennessee agents.

Only a week ago, Mr. Northington presided at the midwinter meeting of National Assn. of Insurance Commissioners at New Orleans. He "resigned" Sunday, the day before the hearing on the auto rates.

Intercoast Mutual Life of Sacramento has been licensed in Utah. The company's fifth California group service office has been established in San Diego.

## May Ask Agents To Name Advisory Unit On Minimum Deposit

N. Y. Department Decision Will Hinge On Results Of Jan. 5 Parley With Agents

By ROBERT B. MITCHELL

NEW YORK—Depending on the information and suggestions elicited at its Jan. 5 conference with representatives of producer organizations, the New York department may ask these groups to appoint an advisory committee to help the department arrive at a program for controlling minimum-deposit plan abuses.

This committee would correspond to the company advisory committee named jointly by Life Insurance Assn. of America and American Life Convention, and headed by Valentine Howell, executive vice-president of Prudential.

Queried by THE NATIONAL UNDERWRITER, a department spokesman said the department was interested in covering the broadest spectrum of viewpoints on the minimum deposit plan and would welcome not only factual material but suggestions as to what should be done.

### McCarty Assembling Participants

Spencer L. McCarty, Provident Mutual, Albany, managing director of New York State Assn. of Life Underwriters, who has been asked by Insurance Superintendent Wikler to get together a group of 18 or 20 producers representing all shades of opinion on minimum deposit, has been in touch with not only life underwriter association groups but with others, and also some individuals.

Assn. of Advanced Life Underwriters the organization that grew out of a protective committee formed to meet the threat of Treasury and congressional deduction in bank-loan and minimum

(CONTINUED ON PAGE 19)

## Ordinary Sales In November Climb 2%; Group Sales Down 18

November ordinary sales were \$3,991,000,000, a 2% gain, and sales for the first 11 months were \$42,850,000,000, a rise of 4%, according to LIAMA. Group life sales, however, amounted to \$642,000,000 during November, a drop of 18%, and for the first 11 months were \$9,648,000,000, down 21%.

Sales of all types of life insurance were \$5,221,000,000 in November, with no increase or decline, and for the first 11 months were \$58,508,000,000, or down 2%.

Industrial life sales in November were \$588 million, a gain of 16%, and \$6,010,000,000 during the first 11 months, a decline of 4%.

## Six More Companies Now LOMA Members, Roster Totals 347

At a meeting of LOMA directors, six companies were approved for membership bringing the total in the association to 347.

The new member companies are: General Life of America, Seattle; Mutual Savings Life, Decatur, Ala.; National Farmers Union Life, Denver; Protective Security Life, Los Angeles; United Fidelity Life, Dallas, and Australasian Catholic Assurance, Sydney, Australia.

## Gov. Meyner Calls For Study Revision Of New Jersey Law

TRENTON—Gov. Meyner this week said he felt the New Jersey legislature, especially the senate, neglected its duty when it failed to provide for a wholesale study and revision of the state insurance laws during the 1958 session. He indicated that he will renew his recommendation for a revision in his annual message to the legislature in January.

The governor added that he considered insurance legislation one of the most important subjects before the legislature and also listed the Meloni bill as one of some 30 such bills on which no action was taken by the senate.

The Meloni bill, which had passed the assembly during the 1958 session, provided for the creation of an insurance law revision commission which would be made up of three senators, three assemblymen and three citizens to be named by the governor. Of these three governor appointees, two would be Democrats and one a Republican.

## Approve Blue Cross Rate Increase In Northeast O.

Superintendent Vorys of Ohio has approved increased rates for Blue Cross of Northeast Ohio, effective Feb. 10, which will affect 1,750,000 subscribers in an 11-county area.

Rates will be boosted \$2.40 a month for most subscribers, amounting to \$16.5 million a year. The new rate schedule includes a deductible which will enable the subscriber to continue under the old rates by paying the first \$50 on services insured.



NATIONAL ASSOCIATES, the organization of Mutual Benefit Life's leading producers, presents a portrait of H. Bruce Palmer, president, to the home office. John D. Hibbard, Grand Rapids, and portrait committee chairman, left, accepts thanks of Mr. Palmer. Other committee members are, from left, William T. Larsen, Newark; Cy Block, New York City, and Harold M. Covert Jr., Philadelphia.

Old Line Life recorded sales of \$20,021,741 for the first three quarters of this year, an increase of 17% over the same period in 1957.

# Many Proposals Offered As Curbs For Minimum Deposit Plan Abuses

The following article on the current status of the drive to curb minimum-deposit plan abuses is adapted from a talk at the December luncheon meeting of the New York City Life Managers Assn.

By ROBERT B. MITCHELL

Although this is supposed to be an objective, impartial analysis of the minimum deposit problem, I do have a viewpoint on it, and it's much like the one I have on morphine: When morphine is necessary, it's a great thing—but that doesn't mean that every dope-pusher in the country is doing a service to humanity.

And when something so complicated as the minimum deposit plan is being sold in huge volume, often to replace thoroughly sound insurance, where the agent makes ordinary life commissions on what is really term insurance, paid for by a premium that will never be collected in full, spiced up with the lawful larceny appeal of beating the tax-gatherer—well, I still believe in Santa Claus, Virginia, but I can't

swallow the idea that in any great percentage of minimum deposit sales the agent really knows enough to advise the prospect wisely or that the buyer really knows what he is letting himself in for, on the basis of a complete comparison of the old and new insurance carried through to his life expectancy, as is required by the New York anti-twisting law.

## Problems, Solutions, Choices

What are some of the problems posed by minimum deposit, what solutions are being touted, and what might you choose to do about them? Through this organization, you'll have a chance to tell the New York department at the conference with producers' representatives on Jan. 5. In view of all the dust that's been stirred up, I'm sure you'll all agree that whatever decision you reach should be a carefully considered one—even if it's a decision that nothing needs to be done.

What does it seem that the New York department is really shooting

for? I don't mean just the official utterances but what can reasonably be inferred from the way department officials acted at the meeting with the companies Dec. 5 and at the press conference four days later?

## Lapse Rates, Discrimination

Officially, the department is mainly concerned with abnormally high lapse ratios on high early cash value (HECV) contracts on minimum deposit (MD) business and with the possibility that HECV policyholders are getting more for their premium dollars than the general run of policyholders. This discrimination can happen in two ways: HECV buyers could be getting a better contract for the same or less net cost; or even if they weren't, an abnormally high lapse rate on HECV plans would mean a loss that would have to be made up by the general run of policyholders.

There are reports that the department people were considerably more

(CONTINUED ON PAGE 10)

## Salinger Heads N. Y. City Life Managers

NEW YORK—Benjamin D. Salinger, Mutual Benefit Life, was elected president of New York City Life Managers Assn. at the annual meeting, succeeding Charles J. Buesing, Mutual of New York.

Gerald H. Young, Prudential, was elected vice-president, and Harold A. Loewenheim, Home Life of New York, was elected secretary-treasurer.

Elected directors were Gilbert V. Austin, Aetna Life; Bernard S. Bergen, Mutual Trust Life; Bernard A. Haas, Manhattan Life; Donald C. Martin, Metropolitan Life; Mr. Buesing; Wheeler H. King, New England Life; George P. Shoemaker, Provident Mutual, and Mr. Sullivan.

Elected directors ex-officio as standing-committee chairmen were David B. Fluegelman, Connecticut Mutual, planning committee; J. Robert Lauer, Continental American, membership; John S. Gaines, New York Life, law and legislation, and Henry G. Barnhurst, Provident Mutual, business practices.

Mr. Salinger briefly outlined his plans for 1959 and announced that the first meeting of the board of directors for his administration would take place early in January.

The guest speaker was Robert B. Mitchell, executive editor of THE NATIONAL UNDERWRITER Life Insurance Edition, whose talk on suggested remedies for minimum-deposit plan abuses is reported above. He was introduced by Mr. Bergen, program chairman.

The Managers Association's new president has served as president of



Benjamin Salinger

## 'Pay Less For Car And Put Difference Into Boosting Life Insurance Program'

When the tub-thumping for the introduction of the 1959 automobiles was at the peak of its frenzy, The National Underwriter warned editorially of the all-out competition that there would be from the car manufacturers for the consumer's dollars—including many that should be going into life insurance. Following out this idea, Editor James V. Wilson of Washington National's company publication, the Review, wrote this in the November issue:

In commenting on this editorial you might ask, "Yes, but lets assume my prospect now has a 1956 model car that has gone 30,000 miles and for which he just finished paying. He is determined he needs a new car. What could I say to change his mind?"

It's a good question which means a lot to us all. If he does contract for one of the huge, plush 1959 models just out, he'll probably be paying \$75 or \$100 a month on it for maybe two years. Then he'll again get the urge to "trade" and the whole process will start over again. We ask ourselves, "Does he have to spend that much to get dependable cars? Might he not spend less?"

The American people do not realize they are actual slaves of the "new car habit." And what do they have to show for it? When they get to be 65 years of age, they have paid in prob-

New York City Life Underwriters Assn., New York State Life Underwriters Assn., and New York City CLU chapter. He is president-elect of the Midtown Managers Assn. and is chairman of the National Assn. of Life Underwriters committees on compensation and on relations with National Assn. of Investment Companies. His agency has won the company award for best all-round agency performance and the new organization award for recruiting and training.

ably \$40,000 on about 17 new cars. If they want to retire, can they use that money to help them? No! That money is gone. Some of its remnants might be found in various junk yards around the country. Does this disheartening problem have an answer which would allow them to have good transportation, yet have family

(CONTINUED ON PAGE 13)

## Webster Named Chairman Of MIB

NEW YORK—Andrew C. Webster, vice-president for selection of Mutual of New York, has been elected chairman of the executive committee of Medical Information Bureau for 1959. He succeeds Dr. James P. Donelan vice-president and medical director of Guarantee Mutual Life.

Dr. J. Grant Irving, medical director of Aetna Life, has been elected vice-chairman of the executive committee.

New members elected to the executive committee are Frederick W. Read Jr., counsel Home Life of New York; Dr. W. H. Scoins, medical director Lincoln National Life, J. Henry Smith, underwriting vice-president Equitable Society.

Continuing members of the executive committee, in addition to Mr. Webster and Dr. Irving are Dr. G. R. Collyer, medical director London Life; John M. Huebner Sr., vice-president Penn Mutual; J. A. Budinger, executive vice-president Kansas City Life, and Dr. Henry B. Kirkland, chief medical director Prudential.



Andrew C. Webster

## Russian Delegation Hears U. S. Side Of Insurance Story

NEW YORK—A delegation of social security officials from Russia included life and health insurance in their study of the American scene, and gave over an entire morning recently to a discussion of these subjects with officials of Life Insurance Assn. of America, Health Insurance Institute and Institute of Life Insurance.

The delegation, headed by Soviet Russia's deputy minister of social security and accompanied by a group from the social security administration in Washington, heard talks by Bruce Shepherd, executive vice-president LIA, Holgar J. Johnson, president Institute of Life Insurance, Ray Peterson, vice-president and associate actuary of Equitable Society, and John H. Miller, vice-president and senior actuary of Monarch Life. James Williams, vice-president of Health Insurance Institute, was also present and gave the visitors current totals on the health insurance business in the U. S.

A morning conference in the institute conference room had as chairman Arthur C. Daniels, vice-president of the institute, who reviewed year-end figures of the life business, described the swatch of booklets and printed matter on American life insurance being given the Russians and then introduced the speakers.

## Describes Inter-Relationships

Mr. Shepherd described the inter-relationships of the two systems of security in use by the American people—the government's social security program and the system of private insurance—and emphasized that the people of this country believe in the do-it-yourself method of meeting personal and family security problems.

The structure of the life insurance business and the objectives of the institution were described by Mr. Johnson, who stressed the voluntary aspects of both the selling and the buying side of the relationships and pointed out that the program in this country is primarily geared to varying individual family needs. He described in detail the three-fold nature of the insurance objective—to meet financial needs at the death of the breadwinner to build reserves towards retirement income payments, and to create funds for possible emergency needs.

Mr. Peterson described the nature of the pension planning programs in the U. S., explaining that American workers have three sources for their retirement incomes—compulsory social

(CONTINUED ON PAGE 19)

## Ky. Central L.&A. Sale Is Called Off

Stockholders of Kentucky Central Life & Accident have been notified that Dan C. Parrish of Pittsburgh has elected not to purchase any of the shares of the company. He had made an offer, with a deadline of Dec. 15, to purchase any and all stock at a price in excess of \$100. All stockholders are now released, and the attorney who notified the stockholders of the rejection said that further communication will be forthcoming from the company officials in a few days.



## BUILDING MANAGEMENT—THE N/W NATIONAL WAY



Vernon A. Hook  
Superintendent of Agencies  
Southwest Division

**T**o provide managers for its continuing agency expansion program, Northwestern National Life at all times has 12 to 15 men receiving training in its Agency Management Training Program.

These men, all drawn from our own field force, are trained under competent, full-time trainers of managers—men whose chief responsibility is the training of other men for agency management.

Each of our full-time trainers of managers is a Divisional Superintendent of Agencies located at a strategic point in the country. Each always has two or three men at work week after week. These trainees spend two solid years—and in some cases more—at everyday management problems in different agencies throughout their division. (A high point of each trainee's week, after returning from the field, are the Saturday clinics at which Superintendent and trainees

review the week's management problems and decisions.)

When training is completed and the man moves into management, another man is brought up from the ranks to take his place.

The type of management training given N/W National managers demands expert, career-minded trainers of managers. One such "builder of managers" is Vernon A. Hook, Superintendent of Agencies for the Southwest Division at Dallas. Since 1946, Mr. Hook has brought close Home Office management counsel to agencies in his division and has also directed many fieldmen in field management training.

Twelve of Mr. Hook's management trainees now head agencies in his Southwest Division. In addition, six other men who took their training under Mr. Hook are now managing top N/W National agencies in other divisions.

For 15 years we have followed these management building methods. Our continuing results more than justify the care and attention we devote to our Management Training Program.

**N/W NATIONAL**  
*Life Insurance for Living*

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

MINNEAPOLIS 40, MINNESOTA

## LIA PANEL:

## Federal Regulation Can Be Checked By Working Together

NEW YORK—The symposium on "The Nation's Needs in Medical Economics" at the annual meeting of Life Insurance Assn. of America stressed the need for a spirit of working together among insurance companies, the Blues, physicians and hospitals to discourage threatened federal regulation and interference into the field of health coverage.

J. Henry Smith, vice-president of underwriting of Equitable Society and moderator of the symposium, said there has been a needed change in the attitudes of companies selling health coverage toward other organizations that provide health protection.

Mr. Smith said, "The further we go, as this business becomes more and more important to the public, to the doctors, to the hospitals and others, the more we are faced with the fact that there is an interdependence of the various agencies which has not been adequately recognized and cultivated. No type of insurer can afford for long to disregard basic attitudes and relationships as to the providers of medical care.

"Social and legislative forces and threats require us to think together, perhaps act together, to find a common salvation and to find the best defense for private enterprise," he said.

(CONTINUED ON PAGE 14)

## A Top Minimum-Deposit Agency Tells Why It Now Refuses Mutual Fund Men's Business

NEW YORK—B. William Steinberg, general agent here for Massachusetts Mutual, whose agency is one of the leaders in volume of minimum deposit plan business, has written an "open letter" to all its brokers and sources of surplus business, in which Mr. Steinberg announced that his agency would no longer accept life insurance business from licensed sellers of life insurance whose principal activity is the solicitation and sale of mutual funds. It is reprinted here because of the intense and growing interest in the problem of minimum deposit plans, particularly those involved with the sale of mutual fund shares.

We are disturbed. The increasing volume and the progressive expansion of what we believe is bad and improper life insurance selling causes us to stop to take stock of what we and our fellow practitioners have been doing.



B. William Steinberg

There seems to be a growing tendency to replace existing insurance and to advocate the complete divestment of ownership of cash value life insurance in favor of the more saleable concept of no-outlay insurance plus equity investment. Although some career life underwriters are among such advocates, for the most part this theory has been advanced by salesmen of investment funds.

We are proud of our agency record.

In less than seven years our associates have become recognized as representing all that is professional and ethical. At the same time we have developed consistent, reliable and profitable sources of business from outside our own ranks. We feel this dual growth is sound agency building.

During the past year we have had increased offers of business from licensed sellers of life insurance who are also engaged in the sale of mutual funds. Although we have never contracted such an individual as a full-time agent, when such business was properly sold and in the best interests of the client, it has been accepted on a brokerage basis. We have never, nor will we ever, consider replacement business unless this fact is admitted and every factor involved justified to the client and explained to our satisfaction.

### Difficult To Control

Despite this care, we fear it is becoming more difficult to properly control this source of business. We fear, too, that the cause of professional life underwriting cannot be served when companies and agencies adopt an attitude that if they do not accept such business, someone else will.

Fully appreciative of the full ramifications of our action, this agency—for one—will refuse to accept business from licensed sellers of insurance whose principal activity is the solicitation and sale of mutual funds.

There may often be a proper place for mutual funds in a client's program. Every client deserves professional insurance advice. We firmly believe such information can only be made available by a properly trained, career life underwriter specialist after an analysis of the client's total needs and objectives.

### Alien Concept To Fund Men

Unfortunately, most investment fund salesmen find this an alien concept. Just as much as it would be improper to feel that every career life underwriter is a paragon of virtue, it would be unjustified to accuse every salesman of mutual funds of improper and unethical insurance practices.

We regret we will lose contact with some men who sell investments and with whom we have established a favorable working relationship. We believe they have sold properly. But to continue to accept such business as an exception is just the type of rationalization we find it hard to justify. If a mutual funds man feels insurance is required, he will serve his client's best interests by calling on a career life underwriter to handle the case.

### Sees Conflict Of Interest

We believe that under today's conditions—and these may change—the basic interests of the mutual funds salesmen are diametrically opposed to the best interests of professional, career life underwriters. It is time that we in life insurance, to paraphrase, stop feeding the hands that bite us.

We hope that other agency heads will take a stand similar to ours. The fact that someone, somewhere will accept any piece of business should not be our justification. Let us make the attempt to lift our life insurance industry to the high level of professionalism it merits. It can never be done if we wait for the next man to start the job.

## Multi-Line Insurers Seen Cool To Agent Diverting Life Coverage

Multiple-line companies writing are going to be increasingly toward the agent who puts his business with a company doing only life or life and A&S business, president Leland T. Waggoner of North America indicated in talk at the all-industry dinner by the Dayton (O.) CPCU chapter. "In the future, both agents and companies will, as a matter of economic necessity, place increasing importance on the desirability of a completely balanced book of business," predicted. "If an agent places his most profitable lines (A&S and life) with a specialty company writing only one or a very small number of lines, he cannot then expect a multiple-line company to offer him its facilities when he attempts to place only less profitable lines with them."

### No 'Demand' By Public

Discussing the multiple line trend which he said some in the industry deny and some others discount as not being created by the public, Mr. Waggoner said: "The public did not demand 'multiple-line insurance' as such. The average person probably does not know the meaning of the term. What the public does demand is the convenience and economy brought about by one-stop service, whether it be in household shopping, banking, or medical care."

"The term 'one-stop service' does not imply that the agent will be able to make all his sales with one call or that one individual agent will necessarily sell all lines. 'One-stop service' does mean that a person will have the privilege of satisfying all his insurance needs through one source and paying for all his protection in one check each month."

Mr. Waggoner expressed the opinion that "some of the demand for multiple-line underwriting has come from agents who realize that unless they have the broadest competitive coverages to offer their customers they will find their markets melting away." He agreed that undoubtedly fire and casualty companies have deliberately helped to create the "one-stop trend."

Aid Association for Lutherans has awarded a \$10,000 grant to Valparaiso University to subsidize lectures and concerts of its centennial activities during 1959.

## Levering Cartwright INSURANCE STOCKS

### Life-Fire-Casualty

**Cartwright, Vallean & Co.**  
Members Midwest Stock Exchange

Board of Trade Building

Chicago 4, Illinois

WAbash 2-2535 Teletype CG1470

You may telephone orders collect.

# FIDELITY

## well-balanced

A well-balanced company is, we believe, a company

- ...whose financial position is strong
- ...whose geographical market embraces a balance of metropolitan, town and rural areas
- ...whose policy contracts include all fundamental coverages ...
- ...whose contributions to its industry have been recognized as outstanding
- ...whose growth has been steady and uniform
- ...whose size is sufficiently large to assure confidence and prestige
- ...whose management, nevertheless, has never lost the common touch with agent and policy holder
- ...whose reputation as a friendly company has been consistently upheld

Fidelity is a well-balanced company

**The FIDELITY MUTUAL LIFE INSURANCE COMPANY**

THE PARKWAY AT FAIRMOUNT AVENUE  
PHILADELPHIA • PENNSYLVANIA





## LIAMA Automation Forum Slated For Chicago, April 13-15

A life office automation forum, designed for users and potential users of magnetic tape data processing equipment, has been scheduled by LIAMA for the Drake Hotel, Chicago, April 13-15. The program is being developed under the supervision of a six-member subcommittee selected from the association's life office automation committee. Stevens L. Shea, planning secretary of Massachusetts Mutual, is subcommittee chairman.

Types of sessions scheduled for the forum are general sessions with addresses by electronics authorities from within and outside the life business, panel sessions and workshops.

Some of the subjects of the panel sessions on the tentative program are planning and conversion cost considerations; operating cost considerations; debit coverage applications; group coverage applications; organizing for automation; network communication systems and automatic programming.

Workshops on machine applications are also planned, with several being scheduled on specific applications.

Member companies of LIAMA, in a letter from Roy A. MacDonald, managing director, are being provided with a check list of the subjects and types of sessions presently planned for the forum and are being asked to check those sessions which their representatives plan to attend. When the returns are received and reviewed by the subcommittee, the forum program will be put in final form.

line trends the industry Mr. W. did not de- nee as such term. What is the con- ght about er it be a g, or med-

service' does will be able one call or will neces- op service ll have the insurance and paying one check

## New Man Selection Is Top Item Of Agency Building, New Jersey GAs Hear

"The ability to select good men is by far the most important item in agency building," William B. Stannard, vice-president in charge of agencies for Occidental Life of California, told members of Northern New Jersey General Agents & Managers Assn. at a meeting in Newark.

"Your training, your inspiration, your leadership will make him a bigger and better man, but if you choose an individual without initiative all of the money you put into him is apt to be for naught," Mr. Stannard said. "If your agency is going to continue to grow, it has to have new manpower. That same condition is true in our company's growth," he said, "and this is where selection is so important."

He said his company does not pressure its managers, general agents and agents nor does it establish quotas for them. "If we are disturbed with the activity of an agency office, if their production is falling far below that of the previous year, we never write them calling it to their attention. If we are concerned, someone will make a trip to see that agency and determine the cause. After we know the cause, we will try to correct it. We find that if we help solve the problem, the agency returns to the plus list."

Mr. Stannard also said his company does not conduct sales contests. "I feel that a man who has the ability to be successful in the life insurance business is a darn good business man. He wants to be treated as a successful

business man. Therefore, I have hesitated to set up contests because I would not want to make this good man feel that I was putting him in the classification of a school child by pinning a star or ribbon on him because he is doing the thing it is necessary to do to make him a successful business man." He added that slack production periods follow contests and "after studying the results of two contests back in 1935 and 1936 we found that business to be of very poor persistency."

## Justin D. Herman Is New Company Relations Consultant Of LIAMA

Justin D. Herman, former supervisor of New York Life at Seattle, has



Justin D. Herman

joined LIAMA as a consultant in the company relations division. Aside from his duties as consultant, Mr. Herman will serve on the faculty of LIAMA schools in agency management and contribute to LIAMA publications for agents and managers.

Mr. Herman joined New York Life at Phoenix in 1951, and in 1954 transferred to San Antonio as agency instructor. While there he helped open the Austin office.

In 1956, he was named assistant manager of the Gate City office at Kansas City, Mo., and the following year was appointed supervisor of the north Pacific region with headquarters in Seattle.

## 25 New Items In '59 Sales Kit Of Natl. Life Of Vt. Agents

A completely new 25-piece portfolio of merchandise for 1959 was announced to the general agents of National Life of Vermont at a special meeting in New York City.

Major items include gradation of premiums by size of policy, reduction of the over-all level of gross premiums, special lower premiums for females, lower rates for level term and family income riders, reduced premiums for accidental death benefit, and introduction of a "check-o-matic plan."

A home office team headed by President Deane C. Davis, Executive vice-president L. Douglas Meredith, Agency Vice-president Clyde R. Welman, and Vice-president and actuary Morton A. Laird, attended the two-day meeting.

### Uses Policy Fee Method

Gradation of premiums by size of policy will apply virtually across the board, using the policy fee method and a \$7 "quantity discount factor" for most plans of insurance. The general over-all level of gross premiums has been reduced somewhat, the greatest reductions occurring at the older ages.

For female lives, special lower premiums have been adopted on all policy forms, with the same dividends, cash values, etc., as for males of the same age.

New and lower rates for level term and family income riders, identical for males and females, were also announced, together with reduced premiums for the accidental death bene-

fit and minor downward revisions of disability premiums.

Early cash values on regular plans of insurance have been improved. Policy forms have been completely re-drafted for the 1959 series, and a guaranteed change clause has been incorporated in all life and limited payment life forms.

The 1959 "executives and professionals" policy has a cash value equal to the full reserve at the end of the first year, premiums are somewhat lower, and the commission scale has been revised to a flatter basis, as is usual with high early cash value policies.

A "check-o-matic" plan is being introduced, which will permit combining into one check premiums due on one or more policies.

### Home Office Will Tabulate

As a convenience to agents in making clear proposals of split-dollar and premium-financed sales, the home office will prepare individually tabulated proposals upon request.

The annuity builder contract, which has been effectively used in pension and profit-sharing cases, will have gradation of premiums by size and, at the same time, the guaranteed settlement factors have been increased and the premiums reduced. Previously-purchased annuity builder contracts will henceforth enjoy the benefits of these liberalizations.

Also presented for the first time was a sound slide-film on business purchase agreements. The new film is the latest of a series of sales aid films being produced by the company.

## Yes, Virginia, There Is A 'Sandy Claus'

The kids can stop worrying—there is a "Sandy Claus." At least that's the official word from Massachusetts Mutual which says it has just insured for \$15,000 a person whose name is Sandy A. Claus.

Massachusetts Mutual reports Sandy's application shows he is still a young man in his twenties who can be counted on to fill children's stockings for a minimum of another 40 years, according to current mortality tables.

Sandy is married, lives on the west coast and is employed by a drug store chain. Mr. and Mrs. Claus have no children.

The company, which has more than 600,000 policyholders reports that Sandy Claus is only one of many unusual names in its files. Others include Chris Kringlie, Mary Christmas, as well as Winter Snow, Jack Frost, Christmas Candy, Valentine Kiss and Peter Rabbit.

## Deutsch Doing Publicity For N. Y. Life Assn.

ALBANY—Thomas Deutsch has been appointed to handle publicity for New York State Assn. of Life Underwriters. This is in addition to his duties as life editor of the Weekly Underwriter of New York City.

Mr. Deutsch will attend all meetings and conferences of the association and prepare releases, which will be sent out from the association's headquarters in Albany. This work was formerly handled by Donald Ryan, life editor of the Insurance Advocate of New York, who resigned several months ago to join the staff of the Christian Science Monitor.

# COMMONWEALTH LIFE

## INSURANCE COMPANY

Best wishes to all our friends in the industry for a happy and prosperous 1959.



HOME OFFICE:  
Commonwealth Building  
Louisville  
The Tallest, Finest Office Building in Kentucky

## Big Commissions Are Necessary, Contend S. C. Small Loan Men

At a hearing conducted by J. E. McDavid, South Carolina deputy commissioner, Frank E. Jordan, attorney for South Carolina Small Loan Assn., denied that commissions of 50% to 90% on life, A&S and property coverages written in connection with patrons of small loan companies were either outlandish or exorbitant. He said that the risk of making small loans, and of administering and servicing not only the loans but the claims arising out of the coverage justified the commissions.

### Out Of All Proportion?

Much of Mr. Jordan's presentation was aimed at rebutting Mr. McDavid's opening observation that small loan insurance costs seemed out of all proportion to those encountered in writing conventional insurance. Supporting his findings, Mr. McDavid stated that conventional life insurers report that 50% of their premiums (sic) go to payment of losses, as against only 20% for life insurance written on small loan patrons. Regular A&S companies pay 62 cents on every premium dollar against 19 cents for the small loan companies. Regular property (fire) coverage on personal property and automobiles shows 49% for losses as against less than 17% for small loan insurance on similar property. "When the small loan insurance business is taking \$6½ million a year from the public and paying out only 19% it looks like there is something wrong," Mr. McDavid said.

### Other Views Advanced

Mr. Jordan protested that not enough experience had been gained in this particular type of business to warrant any change of rates. He was

## Nw Mutual To Hike Dividends In '59

Northwestern Mutual Life policyowners in 1959 will receive \$82.5 million in dividends. This is \$6.6 million or 8% above 1958 dividends.

In making the increase, Northwestern Mutual became the first U. S. life company to raise its dividends for the seventh consecutive year. The company's 1959 dividends, like the six preceding, represent an increase in both amount and dividend scale. The new 1959 scale adds \$3.1 million, or 4%, to the amount which would have been distributed had the 1958 scale been continued.

More than one million policyowners owning some 1,630,000 policies will share in the 1959 dividends.

joined in that plea by Robert H. Lovvorn, president of Calhoun Life and its affiliate Sentinel Life, and James R. Mann, chairman of Surety Life. All contended that losses were going up and urged that rates not be reduced.

Kirk Landon, senior vice-president—credit life, of American Bankers Life stated that if losses continue to rise, his company will not be able to continue paying 65% of premiums for commissions.

### Solvency And Costs

Mr. McDavid said that the insurance department is concerned with whether the insurers can maintain their required solvency in the face of high administrative costs. Several small loan spokesmen indicated that commissions on insurance were a major element in making the small loan business profitable. Mr. McDavid stated that an announcement will be made early in 1959, concerning the rates.

## Zurich Going Into Group Credit Field

Zurich is entering the group credit life and A&S field. A new division



William B. Collins



A. L. Westphal

to handle this business within the group department has been created. Plans call for writing credit life, credit A&H and mortgage A&S.

William B. Collins has been appointed assistant superintendent of sales in charge of the new operation, and A. L. Westphal has been promoted to assistant superintendent of sales in charge of the general group operation.

Mr. Collins began in insurance in 1953 with Continental Casualty as a field representative. In 1955 he became sales manager of the special risk division, and, in 1956, supervisor of credit insurance sales.

Mr. Westphal joined Zurich in 1953 as sales and service representative in the New York office, going to Boston later that year. In 1955 he went to Philadelphia and in 1957 was promoted to district group manager there.

### Dress 200 Christmas Dolls

Employees of General American Life dressed 200 dolls to be distributed at Christmas time to underprivileged children in the St. Louis area. An annual affair, 50 more dolls were dressed this year than previously.

## Purvis To Succeed Gleason As Investment V-P At Pan-American

G. Frank Purvis Jr., vice-president and associate general counsel of Pan-American Life, has been named vice-president in charge of investments to succeed Friend W. Gleason, senior vice-president, who, along with Dr. Reynold C. Voss, vice-president and medical director, is retiring Dec. 31.

Mr. Purvis joined Pan-American as assistant general counsel in 1949 and in 1954 became associate general counsel. He was named vice-president and associate general counsel in 1956 and elected a director earlier this year.

Mr. Purvis was elected a vice-president of Federation of Insurance Counsel in 1956 and is currently serving as a member of the joint legislative committee of American Life Convention and Life Insurance Assn. of America. He is also a member of the legislative committee of Health Insurance Assn. of America, chairman of the departmental supervision committee of American Life Convention and national vice-chairman of the membership committee of the insurance section of American Bar Assn.

### 47 Years Of Service

Mr. Gleason, whose retirement comes at the end of 47 years of continuous service, will continue as a director and member of the executive and finance committees. He joined the company in 1911, was elected treasurer in 1916 and vice-president in charge of investments in 1927. In 1930 he was elected vice-president and secretary, becoming senior vice-president in 1955.

He has been a member of American Life Convention for over 30 years.

Dr. Voss has been with Pan-American since 1921, when he joined the company as medical examiner. In 1923 he was appointed assistant medical director and for the past five years has been vice-president and medical director. When his retirement becomes effective Dec. 31, he intends to return to the practice of industrial medicine.

Dr. Voss is a diplomat of Board of Life Insurance Medicine, a member of Assn. of Life Insurance Medical Directors of America and the medical section of American Life Convention, on which he served as chairman in 1948.

## Elect Smedvig To Head Minnesota Fraternalists

Magne Smedvig, Sons of Norway, has been elected president of Minnesota Fraternal Congress to succeed Mrs. Mildred Cruickshank of Degree of Honor Protective Association. Others elected were Lucille Holmes, Royal League, 1st vice-president; Thomas Carr, Catholic Order of Foresters, 2nd vice-president; and Margaret Walton, Royal Neighbors, secretary-treasurer.

W. Cable Jackson, president of National Fraternal Congress, addressed the annual banquet.

## Fidelity Mutual Life Dividends To Top \$4.5 Million In 1959

Fidelity Mutual Life will continue its current dividend scale in 1959, with estimated dividends in excess of \$4.5 million, a 7% increase over dividends distributed in 1958.

Also, the same distributive rate of interest will be paid in 1959 as in 1958, 3.15% on dividend accumulations and 3% on settlement options, except where a higher rate is guaranteed.



AL KARDUNA,

GENERAL AGENT IN BROOKLYN, N. Y.

"The addition of Postal's flexible family income rider to the Executive Special policy makes selling larger amounts easier than ever before."

7TH IN A SERIES INTRODUCING POSTAL'S  
READING GENERAL AGENTS.

**POSTAL LIFE**

511 FIFTH AVENUE NEW YORK 17, NEW YORK  
GEORGE KOLODNY, President

## "We set a new Production Record with these Two Plans"

**NEW "EQUITY BUILDER"**—specially designed for split-dollar, corporation owned insurance, loan financed plans and similar sales.

\$40,000 minimum

High first year Cash or Loan values!

Endowment at 90

**NEW "EXECUTIVE SPECIAL"**—our low net cost special.

\$10,000 minimum—Whole Life at 90

**Both policies have these features:**

Full range of liberal Settlement Options!

Written sub-standard to 500% and up!

Low premium—participating!

Family Income and Term Riders can be added!

Issue ages 10-70! Competitive net costs!

Renewals are fully vested! No minimums, no penalties. You can qualify for free Group Insurance and continuous service fees!



## Prudential Changes Policies, Revises Premium Structure

Prudential has made several changes in its policy portfolio and premium structure, effective Jan. 1, adding a new policy, the modified life 5-10, which calls for one-half the ultimate premium for the first five years, about three-fourths for the second five years and the ultimate premium from the fifth year on.

The modified life policy is based on Prudential studies which indicate that incomes of many young persons increase about 50% by the end of five years after issue and about 11% by the end of 10 years.

The policy will be issued in face amounts of \$5,000 or more at ages 17 to 50 inclusive. At issue ages 40 and under, insured may pay a higher premium beginning at age 50 to make the policy paid up at age 65.

Also adopted is the quantity discount system. Policies with face amounts from \$2,000 to \$4,999 are basic policies. Higher policy ranges and their per \$1,000 discounts are \$5,000 to \$9,999, \$1.40; \$10,000 to \$19,999, \$1.95, and \$20,000 or more \$2.35.

Along with the adoption of quantity discount Prudential will discontinue most of its regular ordinary policies with face amounts under \$2,000.

"Going in" premiums will be reduced for the decreasing term policy. New purchasers will pay the lower premium, but dividends will be such that present decreasing term policyholders will be on the same favorable net cost basis as new purchasers.

Premiums under the Pru-matic plan will be reduced for new regular ordinary life policies and for new retirement annuity contracts.

## Women Leaders Add Secretary To Staff

Women Leaders Round Table of National Assn. of Life Underwriters has retained a secretary, Mrs. June Mack, former secretary to the president of Penland Distributing Corp. of New York.

The three national units of NALU—General Agents & Managers Conference, Million Dollar Round Table and Women Leaders—now have paid professional headquarters personnel.

Mrs. Mack will operate in the office of Ann Bickerton, NALU director of field service and headquarters aide to the committee of women underwriters.

## Indiana Blue Cross

### Assails Townsend Report

Indiana Blue Cross branded as a "cruel hoax on the public" and "the Townsend Plan for Enriching Insurance Agents" the joint legislative hospitalization insurance investigation report in that state.

Subject of the all-out attack was the report of the Townsend committee which was highly critical of a number of orthodox-company practices in the field and even of the state insurance department, and which devoted five pages to Blue Cross and Blue Shield. It recommended legislation prohibiting exclusive contracts between insurers and hospitals, and end to the perpetual proxy Blue Cross applicants sign, and criticized what it said was the Blue Cross admission that it did not rate on actuarial principles.

The executive director of Blue Cross attacked the membership of the committee, made up, he said, of three insurance men and one former insur-

ance man, "representative of that small group who will be enriched if Indiana can be deprived of Blue Cross-Blue Shield protection." He was reported as saying the report "is not a bona fide effort to improve health insurance. Rather it is an attempt to capitalize on the public's dissatisfaction with inflation and rising prices in order to make money out of depriving them of the health protection they have enjoyed for 14 years."

The publicity gave rise to editorials in two Indianapolis dailies during the week. One was entitled, "Senseless Name-Calling" and the other, "Lo, the Poor Policyholder," calling for "facts and figures, concrete truths which can be used in weighing the situation and reaching a decision."

Indianapolis Life recorded record-breaking production during November with a gain of 14% ahead of last year. Sales for the first 11 months of 1958 were 22% ahead of the same period a year ago. Top individual salesman for the month was Ed Stevens of Indianapolis. Leading agency was Nate Kaufman of Shelbyville, Ind.

## Protective Life Of Alabama Offering Quantity Discount

Protective Life of Alabama has introduced a new rate basis under which all plans having a minimum face amount of \$5,000 or less are eligible for quantity discount when issued at higher amounts.

On all non-participating endowments and all plans having a minimum policy of \$5,000, the discount per \$1,000 for face amounts of \$10,000 or more is 75 cents. On all other plans with face amounts from \$5,000 to \$9,999 the discount per \$1,000 is \$1.25, and with face amounts of \$10,000 or more, \$2.

No reductions are applicable to policies under any plan having a minimum face amount of \$10,000 or more.

Herbert V. Kibrock, agent of New York Life at Boston, speaking before the December meeting of Baltimore Life Underwriters Assn., discussed the use of imagination as it relates to life insurance selling.

## Pacific Natl. Group, Occidental Of Cal. Exchange Board Seats

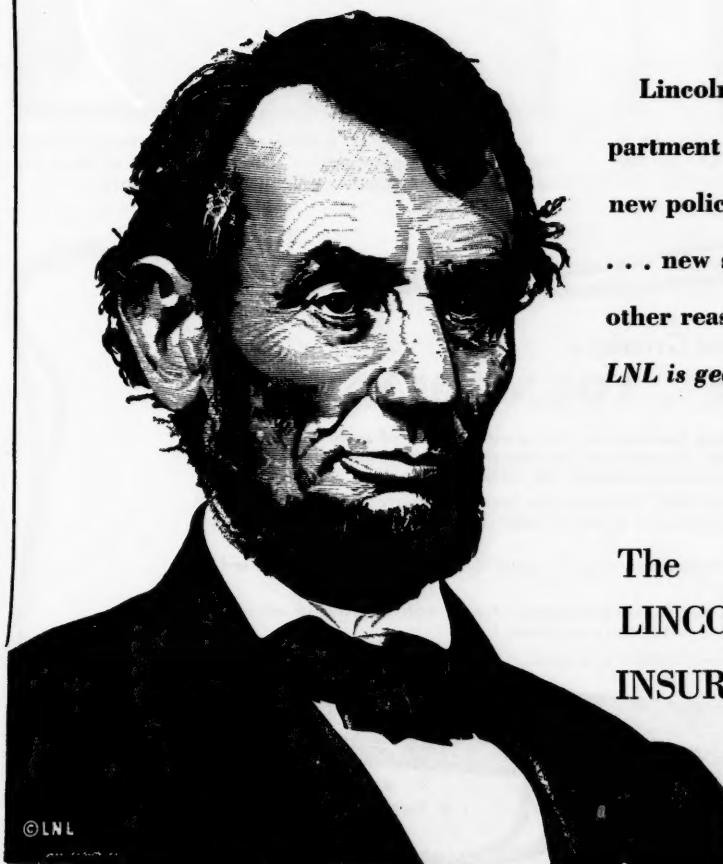
In an exchange of board seats between Transamerica Corp. owned insurers, John A. Steel, president of Pacific National group, has been elected a director of Occidental Life of California, and President Horace W. Brower of Occidental has been named to the board of Pacific National Fire.

Mr. Brower is also a director of Transamerica Corp., and Mr. Steel is a director of all companies of Pacific National group.

## Liberty L.&A. Offers 600,000 Common Shares

Liberty Life & Accident of Muskegon, Mich., is offering 600,000 additional shares of common stock to be sold at \$2.50 per share. Upon completion of the sale capital and surplus will be in excess of \$1,800,000. Assets of the company at the end of this year are expected to be in excess of \$2,170,000.

# Modern Service In Pension Business



Lincoln National's new pension department is streamlined for service . . . new policies . . . new guaranteed issue . . . new simplified underwriting. Another reason for our proud claim that LNL is geared to help its fieldmen.

The  
LINCOLN NATIONAL LIFE  
INSURANCE COMPANY

Fort Wayne, Indiana

Its Name Indicates Its Character

©LNL



Sam Beery of Colorado, chairman of the NAIC executive committee, with Hugh H. Earle, commissioner of Oregon.



Thomas A. Pansing, former Nebraska commissioner and now president of Nebraska National Life, with Jack O. Robinson, newly elected president of Colorado Credit Life.

## Photos Of Personalities At Meeting Of NAIC At New Orleans By Harry Fuller Of National Bureau Of Casualty Underwriters



D. D. Murphy, former North Carolina commissioner, at the NAIC meeting with John Lloyd, president of Union Central Life; J. Herbert Graves of National Old Line Life and former Arkansas commissioner, and Robert Taylor of Mill Owners Mutual of Des Moines, former Oregon commissioner.



Commissioners Cyril Sheehan of Minnesota, Donald A. Knowlton of New Hampshire, and Kam Tai Lee of Hawaii at the New Orleans meeting of NAIC.



N. P. Parkinson of United of Chicago, former Illinois director, with Commissioner Charles Howell of New Jersey and John Coppage, Maryland chief deputy.



Howard J. Brace of Occidental Life, perpetual secretary of the Passee Club International, with M. J. Harrison of Little Rock, the perpetual president. They presided at one of the memorable meetings in Passee Club history during the New Orleans meeting of NAIC.



August Pryatel, former Ohio superintendent and now a municipal judge at Cleveland, attending the New Orleans meeting of NAIC with Julius Wikler, the New York superintendent.



Commissioner J. Edwin Larson of Florida, secretary of NAIC with Howard Williams of the Florida department.



C. Lawrence Leggett, Missouri superintendent, and Commissioner James Horn of Alabama at the New Orleans meeting of NAIC.

To paraphrase Horace Greeley:

### GO WESTERN, YOUNG MAN!

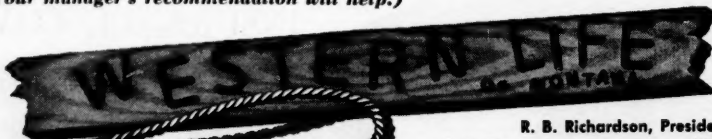
Life insurance is a soul satisfying business but let us admit none of us are in it for our health. Western Life, one of the "growingest" companies in the country, offers agents excellent commissions and unusual opportunity for advancement.

Take a look at the record. In 1956, insurance in force was more than \$294,000,000 and assets were \$72,000,000. Insurance in force today is over \$400,000,000 and assets are \$87,000,000.

In 1956, Western Life was represented in 11 western states. Today it is licensed in 38. More expansion is underway!

Join forces with a live and moving organization! Grow with a growing company! Western Life has a story to tell. Ask for the facts today!

(P.S. Your manager's recommendation will help.)



R. B. Richardson, President  
L. G. Thompson, Adm. Agency Vice President

Insurance in Force over \$400,000,000    Assets over \$87,000,000





## Group Underwriting Business Draws Fire

**D. B. Fluegelman**

NEW YORK—Re-emphasizing "the dangers existing in a constant lowering of the same sound underwriting practices that would apply to other aspects of our business," David B. Fluegelman, general agent of Connecticut Mutual in New York City, addressed the New York City Group Supervisors Assn. on various group insurance problems.

Mr. Fluegelman, a past president of National Assn. of Life Underwriters, was the first chairman of its group insurance committee and is still a member of it.

### Not Supervisors' Fault

Mr. Fluegelman made it clear that he was not blaming the group supervisors, because as he pointed out, they are making a sincere effort to do the job in accordance with the practices permitted by their respective companies. He did, however, condemn the companies for "failing to heed the repeated warnings given to them through the NALU group committee as representing the opinion of men in the field who are dealing with their clients on a day-to-day basis."

"Although the companies have a so-called high level committee that was supposed to investigate this subject, they have not seen fit to ever make a report to the NALU group committee," he said. "Furthermore, although many companies have indicated they are opposed to high limits on individual life in group insurance, and are only writing it on that basis in order to compete with other companies, not one of them has yet agreed to support legislation in New York state to impose limits of any nature."

Two other dangers cited by Mr. Fluegelman are that employees' continued dependence on their corporations for providing benefits that are actually their own obligations is threatening to break down the free enterprise system; and a further extension of high limit group insurance on a term basis is adding fuel to the inflationary spiral that is the greatest danger to the economy at the present time.

## Assails Cheaper Cover For Aged Proposal

The proposal to give elderly people reduced insurance rates as endorsed by the house of delegates of American Medical Assn., was attacked by Dr. Harry E. Ungerleider, director of medical research Equitable Society before a meeting of Assn. of Minnesota Internists at St. Paul.

Dr. Ungerleider said there is no "equity" in singling out one segment of society to be supported by the rest. "Somebody has to pay for this," he said. "Why should doctors or any other group be singled out to subsidize others?"

He said the percentage of people over 65 will hit near 35 by 1980 and something will have to be done to provide the extra medical care people in this age group need. But instead of special plans, he favored using a program comparable to that used by

the insurance companies. During their working years—20 to 65—people should pay insurance rates that would carry them through the rest of their lives, he said.

Dr. Ungerleider told the internists that he was in favor of major medical-deductible policies under which the patient pays part and the insurance company the rest of really high cost medical bills. The programs favored by Dr. Ungerleider would include provisions for determining the "deductible" figure by income and leave out "fee schedules," permitting the doctor to order what he feels necessary, with customary charges.

## Cragg, Van Urk Named To IAAHU Executive Board

Ernest E. Cragg, Washington National, and Fred T. Van Urk, United Benefit Life, have been named to the executive board of International Assn. of A&H Underwriters. Mr. Cragg replaces St. George Grinnan, and Mr. Van Urk succeeds Webster Hurley, Bankers L&C., who is vice-president of IAAHU.

## Says Business Must Discipline Self Or Go Under Government Gun

If the life insurance business does not take quick and effective self-disciplinary action, it is bound to find itself the target of severe governmental investigations at a tremendous cost in prestige, according to Superintendent Vorys of Ohio, who issued this warning before General Agents & Managers Assn. of Akron.

"The industry already is under the gun," Mr. Vorys said, pointing to the congressional subcommittee investigating functions and operations of insurance commissioners. It isn't much more of a step for the investigation to "move into the operations of the companies themselves." He warned that "general agents and managers can well be a target also."

### Points His Finger

Mr. Vorys pointed the finger of blame at "the impelling force of 'volumitis' which has taken over the profession in recent years. 'When you get so volume hungry that you can

think of nothing but money, then it's a question whether you are performing in the best public interests."

He cited instances of unethical practices by agents, by companies and certain phases of the insurance business. "We have slapped a lot of wrists—even put companies out of business," he said, before the state managed to get some "religion into these areas."

### States His Feeling

"It is my feeling," he said, "that in some cases the agent is being encouraged (in twisting, rewriting and misrepresenting) by management's constant drive to get business!"

"Since Oct. 1, one company in its furious drive for more business has requisitioned for 140 agents. No matter what company it is, it cannot possibly uncover and train that many qualified representatives. This type of thing can backfire at a great loss of ground to the entire industry."

Mr. Vorys said policemen are not the answer. Self-discipline, through agents' associations, is the best practice. Life insurance, he said, has a tremendous potential, an unlimited future—but it must have a heart.

## LIFE WITH PROVIDENT

## 3,000 Producers and a Pickaxe

Groundbreaking ceremonies in November for Provident's new home office building symbolized the efforts of many people in many places. The men and women of an outstanding field organization are producing a growing volume of business which will soon outgrow the facilities for handling it. So, like a growing family, Provident needs a bigger house. The new building has been designed to provide every facility for the best possible service. Provident policyowners and field representatives deserve it.

**PROVIDENT**  
LIFE AND ACCIDENT

LIFE • ACCIDENT • SICKNESS  
HOSPITAL • SURGICAL • MEDICAL

*Insurance Company*

CHATTANOOGA

## Offer Many Proposals As Curbs For Minimum Deposit Plan Abuses

(CONTINUED FROM PAGE 2)

concerned about twisting and "stripping" than was indicated at the press conference. Incidentally, that word "stripping" was a new one on me but it means putting the old insurance on the paid-up or some other option. This makes it harder to spot a twist, because technically the old insurance is not being replaced. It's just sort of relegated to the sidelines.

### Lacks Twisting Evidence

It's understandable that the department shouldn't be hollering too loudly at this point about the volume of twisting and stripping until they get more actual evidence of what is going on. The department considers twisting illegal only if there are misleading statements, incomplete comparisons, or misrepresentations, as spelled out in the law.

At the moment, for all the department knows to the contrary, every twist that nobody has complained about may be perfectly legal—and, incidentally, the department uses the

"twist" for both the legal and illegal variety of replacement.

On the other hand, favoritism toward the HECV buyer and also any abnormality in lapse rates are both things that can be proved right now by readily available facts and figures. Incidentally, I understand that only one or two companies show abnormally high lapse rates, so evidently there are ways of writing the MD plan without incurring high lapses. One of the prominent HECV companies has a substantially better lapse rate on such policies than on its other comparable policies.

The department is going to be tough to convince on this discrimination business, but if a company is really right in its assumptions and figures to the effect that a dollar paid for the HECV policy buys no more and no less than a dollar paid for any other policy the company issues, it should eventually be able to convince the department.

One thing was evident at the con-

ference between the companies and the department and that was that the department people feel that the HECV companies are not policing their agents and brokers closely enough. What seems to have made a particularly poor impression was the lack of awareness of how bad things had got. Not that anybody thought there was any intention to permit abuses, only that they were in the dark about a lot of goings-on that they should have been hep to. This attitude may have been quite unjust to the companies, but that's the story I get.

Some of this attitude may stem from the department's evident feeling that the HECV, to quote one company president, is "just plain wicked."

### Other States Concerned

Incidentally, New York isn't the only department that is aroused about the MD plan. Ohio, Illinois, District of Columbia, and Minnesota are the ones that I think of offhand.

Well, what are the possible remedies that are being advocated—remedies that you will be asked to support or oppose? Here some, and there certainly must be others that I haven't heard about:

1. Tighter underwriting. The company that I mentioned as having a better lapse rate on MD business underwrites each policy as if it were to be paid for without resort to any loan whatever. They don't take the agent's word or the applicant's word that his income is enough to take care of the premiums comfortably. They look at the estimate of his income in the inspection report.

### Lower First-Year Commissions

2. Flatten the commission scales, so that the first year it's 20 to 25%, though no less in the aggregate when you count the renewals. That gives the agent more of a stake in heading off lapses and also lessens the company's loss in the event of early lapse.

3. Better control of agents and brokers. That is admittedly more difficult for a general agency company than a managerial company. But a company can make spot checks of its policies to see how much of various agents' business is being sold on a fully-loaned basis. Fire twisters unmercifully when they can't justify replacement as being in the policyholder's real interest—and let it be known throughout the company that this tough attitude is going to be enforced without exception.

Now, those three steps that I have just described were told to me by an official of one of the main companies doing a minimum deposit business as being, in his opinion, the most effective means of counteracting the abuses that have been complained of.

### Lower Minimum Amounts

4. Reduce the minimum amount for HECV policies to around \$15,000 or maybe less, instead of the widely used \$25,000 figure. The reason: When a man, unless quite well off, has to buy \$25,000 as a condition of getting the contract, he is much more likely to have to give up at least some of his old insurance than if he could buy a smaller amount.

There should be some correlation between the man's income bracket and the amount he can buy without having to surrender, as long as tax-avoidance is going to be an incentive. As it is now, a man can be in an income

bracket high enough to make the deduction attractive but not enough to let him swing a \$25,000 policy without giving up some of present coverage.

### Borrow On Old Policies

5. In cases where there has to be borrowing, encourage policyholders to borrow against old insurance, which has larger cash values and can result in larger tax deductions in early years.

6. Permit no agent to sell the plan who has not taken a special course and passed a test to prove he knows enough about the plan to be trusted to sell it competently. Of course, this is no guarantee of honesty but it would help avoid trouble to agents who are simply ignorant and it might even scare the heartless replacement artists a little.

7. Laws embodying the doctrine enunciated by Federal Judge McLaughlin in Honolulu in the Knox-Anderson case, which is now on appeal. This would be pretty drastic but it would make agents wary of saying anything that would subject them to being sued for giving unsound advice.

### Might Require Special Form

8. Require the applicant to fill out a special form indicating that he knows what he is giving up, and what he is taking on, that the comparison has been carried through to his life expectancy, as required by the New York law, that he knows he has paid an acquisition cost on the old insurance and will have to pay another on the new policy; that he is acting on his own judgment and not relying on the advice of the agent.

This method could well be up the department's sleeve. One department man at the company conference recalled what was done when Metropolitan Life many years ago brought out its \$5,000 whole life special policy. This policy lacked some of the features that the other ordinary policies contained, and the applicant was required to state, in writing, that he was aware of this. Of course, the weak point in this method is that a slick agent can say to a soft-headed prospect: "Oh, this is just a formality that the home office has to go through with because of some fool regulation of the insurance department. You don't need to bother to read it. Just sign here."

### Don't Wait For 'Victims'

9. Insurance department check-ups on twisters without waiting for complaints from buyers, on the theory that the transaction was probably illegal. Many buyers are ashamed to

## Confident Living

BY SKOG

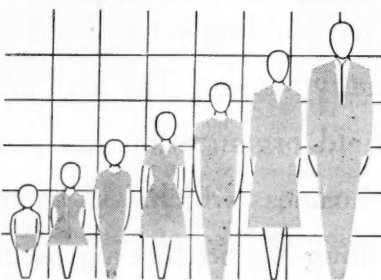


H. P. SKOGLUND, President

### A new baby at your house?

If the stork paid you a visit lately, you have lots of company. In the last year, nearly 4½ million new babies put in an appearance. At that rate, the experts say, our country's population will exceed 200 million people by 1970.

Bigger families, so prevalent back in the earlier 1900's are coming back. Right now, there are considerably more families with four or more persons, than there were 8 or 10 years ago. That means more mouths to



feed, clothes to buy, houses to build, not to mention a lot of other goods and services needed by a big family. For every father it means keeping a nose to the grindstone providing for the enlarged family.

But by the same token, it's pointed to by many economists as one of the big influences on the future growth of our economy. Making all of the products and providing services for these growing families should keep business and industry humming over the long pull, they say.

Call on the North American representative in your area.

HELP in paving the way for successful interviews is provided North American field men by newspaper ads like this appearing nationally in Nalac markets.

It's one way Nalac's CONFIDENT LIVING\* approach is working to assure CONFIDENT SELLING for its men. Complete portfolio of Life and S&A. Ask for Brochure BO-321.

\*Exclusive North American service mark

Over \$¾ Billion of Life Insurance in Force.

Home Office: Minneapolis, Minnesota

Canadian Head Office: Hamilton, Ontario



**NORTH AMERICAN**  
*Life and Casualty Company*

H. P. Skoglund—President J. E. Scholefield, CLU—Vice President, Director of Agencies

NORTH AMERICAN INSURES CONFIDENT LIVING

### LIFE—A & H EXECUTIVE OPPORTUNITIES \$16,500 - \$8,500

Chicago	Life Actuary	\$16,500
East	Asst. Life Controller	\$15,000
Midwest	Life Agency Director	\$15,000
Midwest	Life Training Director	\$12,500
West Coast	A&H (Indiv) Contracts Mgr.	\$10,000
South	A&H (Indiv) Sales Dir.	\$10,000
West Coast	Jr. Life Actuary	\$10,000
Midwest	Life Ofc. Mgr.-Sys. Asst.	\$10,000
Chicago	Group Br. Off. Supv.	\$9,000
East	Group Adm. Asst.	\$8,500

ACTIVELY IN THE MARKET FOR A NEW POSITION? INTERESTED ONLY IN HAVING UNUSUAL OPPORTUNITIES BROUGHT TO YOUR ATTENTION?

Write for HOW WE OPERATE. No obligation to register.

### FERGASON PERSONNEL

INSURANCE PERSONNEL EXCLUSIVELY  
330 S. Wells Chicago 6, Illinois  
HARRISON 7-9040



make the...  
ut not...  
ng a \$25...  
o some of...

As a result, many stinking cases  
are never prosecuted. Minnesota Com-  
missioner Sheehan's announcement  
that he will go after twisters even  
when there has been no complaint by  
the victim shows what can be done.  
Maybe you'll think New York ought  
to do this, too.

**Twister Scare Some**  
Twisters are tough, but if they knew  
that every case they twisted might be  
the subject of check-up as the result  
of complaints from companies and  
agents losing business, from its being  
twisted away from them, there might  
be enough licenses cancelled to throw  
a scare into at least some of the more  
brazen twisters.

10. Do nothing, and wait for news of  
this situation to get to Sen. O'Mahoney  
and his investigation of the effective-  
ness of state insurance supervision.  
It looks as if he'll get to life insurance  
in the late spring. His staff subscribes  
to the insurance newspapers, so they  
know all about what's going on.

They can make plenty of capital out  
of this minimum deposit thing if it  
should suit their purpose. Like, "Why  
haven't the state insurance depart-  
ments been able to protect the public  
against this form of exploitation? It's

**Officers of Chi-  
cago Home Of-  
fice Life Under-  
writers Assn.**  
shown at the asso-  
ciation Christmas  
party are, from  
left, Herbert H.  
Neitzold, Bankers  
L.&C., vice-presi-  
dent; Edward J.  
Ryan, Municipal,  
recording secreta-  
ry-treasurer, and  
Don S. Fairchild,  
Prudential, presi-  
dent.



been going on right under the nose of  
the New York insurance department,  
which is supposed to be the best in  
the country. Doesn't it look as if the  
federal government should move in to  
make these greedy, poorly qualified  
agents stop taking advantage of the  
public's ignorance?" And more along  
that line.

It may seem a pity to wash our  
dirty linen in public, but any con-  
certed restrictive measures undertaken  
by you and/or the companies, no  
matter how much these restraints  
might appear to you to be for the  
good of the public, can be readily  
pounced upon by the Department of  
Justice anti-trust division—unless  
practiced at the behest of the insur-  
ance department.

**Expert's Opinion Cited**

A former member of the Justice  
Department anti-trust division staff  
told me there's no question about it:  
if the insurance department tells you  
to do something, it is O.K.; but if you  
agree on some restraint among your-  
selves it's against the anti-trust laws.  
It seems too bad you can't get together,  
agree on sound practices and then  
abide by them instead of having to  
run to the department. But that's the  
way it is.

I've listed some of the choices that  
face you in connection with policing  
minimum deposit plans. I didn't make  
them up but got them from various  
people who are following this matter.  
The choices made by you—the Life  
Managers Assn. of Greater New York  
—will be most important for the public  
and the insurance industry.

**In Best Spot For Action**

Yours is the largest managers as-  
sociation in the state, and probably in  
the entire country. You are part of  
the largest life underwriters associa-  
tion in the country, located in the state  
with the strictest and most far-reach-  
ing insurance laws.

If this thing can't be controlled  
here, then God help the rest of the  
country.

What can we learn from this mini-  
mum deposit hassle? One thing, I  
think, is this: If you can't prevent a  
fire, the next best thing is to stamp it  
out when it is still just a small blaze.  
That means having an alert and  
vigilant firewatch. I think it's quite  
significant that the department was  
so critical of the failure of the com-  
panies to be more aware of what was  
going on, so they could take steps to  
police their agents and brokers more  
strictly. I think your association, as  
much as any local, state, or national  
organization, has the power to spot  
these explosive situations when they  
are just starting to get hot.

Plenty of hollering has been going  
on about the minimum deposit plan,  
starting years ago when it was known  
as the bank-loan plan. But it was  
nearly all a lot of name-calling by  
extremists in opposing camps. What

well have saved millions of dollars of  
insurance from ill-advised surrender.  
With an alert fire-watch committee to  
spot blazes while they're still small  
enough to be stamped out, there would  
be fewer occasions when you have to  
say, as one executive said to me about  
the appointment of the company ad-  
visory committee on minimum deposit  
problems: "I hope you're not going to  
play it up. We're not very proud of  
this thing, you know."

**F. G. Dickinson Retires**

The retirement was announced last  
week of Frank G. Dickinson as direc-  
tor of the bureau of medical economic  
research of American Medical Assn.  
Mr. Dickinson intends to do consulting  
work and later on to conduct research  
under the sponsorship of a research  
foundation. He joined AMA in 1946  
after having taught economics at the  
University of Illinois for 25 years.  
A past president of American Assn.  
of University Teachers of Insurance,  
Mr. Dickinson originated the Dickinson  
football rating system.

# “Insuring Insurability” “Insurability Insurance” “Guaranteed Purchase Option”

No matter what name you give to this exciting new coverage,  
we at Bankers Life Company are proud to have introduced  
it. We are equally proud of comments in the insurance trade  
press like: “We believe Bankers Life has started one of the  
most important merchandising trends in the life insurance  
business . . .”

We appreciate also comments in publications outside our  
industry like: “. . . it takes courage to initiate an insurance  
venture of this kind” in an advertising publication, or a  
major metropolitan newspaper commenting in an editorial  
on this new insurance idea: “Bankers Life has long been  
known as a progressive, pattern-setting firm in the insurance  
business.”

Yes, alertness to changing times and needs has marked  
Bankers Life as “The Company That Fits The Need” as we  
have pioneered other coverages like the “Wife Protection”  
rider . . . Group Permanent Life . . . Widow's Pensions . . .  
and Deductible H&S Plans. Do you wonder that Bankers-  
lifemen are proud of the Company they represent?

**BANKERS *Life* COMPANY**  
DES MOINES, IOWA

## Send A Copy To Your Friends ... WITHOUT CHARGE

**The National Underwriter**  
420 East Fourth Street  
Cincinnati 2, Ohio

I am listing below the names of some  
friends who, to the best of my knowledge,  
are not now subscribers to the “NATIONAL  
UNDERWRITER LIFE INSURANCE EDITION”,  
but who would profit greatly from it. Please  
send them a free copy with my compliments:

☐ If possible, send the August 9, 1958  
issue.

To: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ Z \_\_\_\_\_ State: \_\_\_\_\_

To: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ Z \_\_\_\_\_ State: \_\_\_\_\_

To: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ Z \_\_\_\_\_ State: \_\_\_\_\_

Sender: \_\_\_\_\_  
Address: \_\_\_\_\_

VE  
\$16,500  
\$15,000  
\$15,000  
\$12,500  
\$10,000  
\$10,000  
\$10,000  
\$10,000  
\$9,000  
\$8,500  
A NEW  
HAVING  
HT TO

igation  
L  
VELY  
Illinois

## Editorial Comment

### How To Make Grass-Roots Work Pay Off

There is a lesson in effective politicking for the entire industry in the recent victory of Washington Life Underwriters Assn. During the last election it massed its forces to beat back the state legislature's attempt to take away the \$40,000 inheritance tax exemption from life insurance proceeds.

Here is what they did and how they did it:

In March of 1957 the legislature voted to remove the \$40,000 exemption. Determined to stop the law dead in its tracks, Washington agents circulated petitions, obtaining 167,000 signatures in six weeks, which in turn got a referendum covering the law on the ballot last Nov. 4. Then, leading a really aggressive campaign, some 1,500 agents joined forces with bankers, trust officers, attorneys, accountants, professional people, labor unions and other interested groups.

When the final vote was in on election day the referendum, which, if passed, would have had the effect of knocking out the exemption, went down to defeat, 731,733 votes to 59,659.

In the words of Gene Ballantyne, general agent of Bankers Life of Nebraska, in his report to National Assn. of Life Underwriters, "This campaign showed that an organized group of life insurance people can be one of the most potent political forces in any community or state."

We might ask, why limit it to the state and local level? Doesn't the Washington agents' success story suggest that there is on a national scale a payload of political power in the field forces that is not being tapped—nobody is putting the brakes on social security excesses?

Generally speaking, most politicians are definitely influenced by what they believe is the prevailing feeling among their constituents when they pass on or reject any given piece of legislation. If you can get to these voters with your story and make them understand and sympathize with your position, and they in turn pass along their opinions by way of letters, telegrams and signed petitions to their legislators, then you have scored with the lawmakers as you never would have even with the best presented argument in a congressional hearing room.

And the field forces, as typified by the Washington agents, are the grass-roots of the industry who can do just this sort of job. The very nature of their work places them in daily contact with those people to whom politicians must answer for their voting records.

Last summer the big guns of the life insurance business descended on Washington, D. C., in the hope of shooting holes in proposed social security legislation. Unlike the Washington state agents who were working with a popular local issue, life people were bucking something that was nationally regarded as Santa Claus legislation. But the fact remains that a

lot of time and energy went down the drain when the final tally on social security was in.

As a kind of postscript to the whole matter, we understand that NALU earlier in the year mailed educational material to state organizations for write-your-congressmen campaigns at the local level. Although the response in some sections was reported to have been good, NALU admits that it was generally too sporadic to have much effect on the vote.

One question, however, needs to be asked here: How much might the outcome have been altered if the nationwide efforts had been concentrated as the Washington state agents' were, with the whole industry's field forces participating?

If 1,500 agents in the state of Washington can in the short span of six weeks get 167,000 signatures on petitions and then step out and lead the campaign that beats down a referendum by a ratio of 14 to 1, then how many projected millions of signatures and votes is the potential of the many tens of thousands among the field forces in the 49 states? Add to NALU's thousands the myriads of

non-NALU agents in the field, and you have the picture of a small army at work.

Admittedly, a matter as close to the voter's heart as social security legislation would require a long-term educational program before any widespread sound attitude could be expected to prevail. The same might be said for the Forand bill. But something like the Jenkins-Keogh bill, with its obvious benefit to so many taxpayer-voters, is a made-to-order piece of legislation for just the type of political activity mentioned here.

As a general rule, what helps the public and the life insurance business helps the agent as an individual. Even if this were not so, many of the measures before Congress next year and the years to come will be of the bread and butter variety, the kind which directly affect agent income. Therefore, for the time being perhaps, a nationwide campaign on the style waged by the Washington producers should be limited to the type of issue that is "close to home" for the agent. Thus, the campaign would evoke the field man's enthusiasm and full cooperation—a very necessary ingredient for the success of such a program.

If the overwhelming victory of Washington Life Underwriters Assn. is any indication, however, no matter what issue the industry may choose for such a campaign, there is a good chance it will be pleasantly surprised at its own strength.—William Macfarlane.

## Personals

**William D. O'Connell**, resident manager The National Underwriter Company, Chicago, and Mrs. O'Connell now have a brand new son, Thomas Michael. The O'Connells have another boy, Jeffrey.

**Leonard L. Silverstein**, counsel and director of Assn. of Advanced Life Underwriters, has been named a consultant on tax matters to the Small Business Administration.

**Gerhard D. Bleicken**, vice-president and secretary of John Hancock, has accepted an appointment as a member of the program advisory committee of the federal Office of Civil and Defense Mobilization.

**R. W. R. Calderwood**, vice-president and secretary of Standard of Oregon, will mark his 50th anniversary with the company in January, the first employe to complete that length of service.

**Clarence J. Myers**, president of New York Life, has been elected to the board of National Industrial Conference Board.

A granddaughter of the late **Lawrence M. Cathles**, Miss Anne Kenchington of West Kirby, Cheshire, England, will be married in January to the Rev. Robert B. Wardrop, vicar of St. Alban's Church, Simsbury, Conn. Miss Kenchington, is with Pan American World Airways in New York City. Mr. Cathles was for many years president and later chairman of North American Reassurance.

**Karl F. Wirth**, treasurer of Kentucky Central Life & Accident since 1952, has been named a director.

## Deaths

**ROBERT E. SHAY**, 57, 2nd vice-president and director of agencies of



Robert E. Shay

Bankers Life of Iowa, died of a heart attack. He had been with the company since 1934 when he became agency manager at Minneapolis. Previously, he had been assistant agency manager there five years for Massachusetts Mutual Life. Mr. Shay was promoted

to superintendent of agencies in 1953, director of agencies a year later, and in 1956 was advanced to the position he held at the time of his death. He has served as president of Minneapolis and Minnesota Life agents' and general agents' associations.

**C. A. CHALKLEY**, resident vice-president at Butte for 31 years for Mutual Benefit H.A. and United Benefit life, died at Riverside, Cal., where he had moved in 1951 when he retired.

**LOUIE MILLER**, West Virginia commissioner for about eight months in 1956-57, died at University of Virginia Hospital in Charlottesville after a brain operation. He was chief deputy before succeeding Thomas J. Gillooly. A law graduate of the University of Chicago, Mr. Miller was in private practice at Charleston, W. Va., and later was head of the inheritance tax division of the state tax department before going with the insurance department. He served during the transi-

## The NATIONAL UNDERWRITER



The National  
Weekly Newspaper of  
Life Insurance

### EDITORIAL OFFICE

17 John St., New York 38, N. Y.  
Tel. BEekman 3-3958 TWX NY 1-19  
Executive Editor: Robert B. Mitchell  
Assistant Editor: William Macfarlane

### CHICAGO EDITORIAL OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.  
Tel. WABash 2-2704 TWX CG 84

Associate Editor: John C. Burridge  
Assistant Editors: Richard G. Ebel,  
William H. Faltyssek and R. R. Cusack

### ADVERTISING OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.  
Tel. WABash 2-2704 TWX CG 84  
Advertising Manager: Raymond J. O'Brien

### SUBSCRIPTION OFFICE

420 E. Fourth St., Cincinnati 2, Ohio  
Telephone Parkway 1-2140

### OFFICERS

John Z. Herschede, President  
Louis H. Martin, Vice-President  
Leslie A. Meek, Secretary

420 E. Fourth St., Cincinnati 2, Ohio  
Telephone Parkway 1-2140

### SALES OFFICES

ATLANTA 3, GA.—432 Hurt Bldg., Tel. Murray 8-1634. Fred Baker, Southeastern Manager.

BOSTON 10, MASS.—80 Federal St., Rm. 342, Tel. Liberty 2-9229. Roy H. Lang, Southern New England Manager and Dana L. Davis, Northern New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. A. J. Wheeler, Chicago Manager. R. J. Wiegand and William D. O'Connell, Resident Managers.

CINCINNATI 2, OHIO—420 E. Fourth St., Tel. Parkway 1-2140. Chas. P. Woods, Sales Director. George C. Roeding, Associate Manager. Roy Rosenquist, Statistician.

CLEVELAND 14, OHIO—1367 E. 6th St., Lincoln Bldg., Rm. 208, CH 1-3396. Paul Biesl, Resident Manager.

DALLAS 1, TEXAS—309 Employers Insurance Bldg., Tel. Riverside 7-1127. Alfred E. Cadis, Southwestern Manager.

DENVER 2, COLO.—234 Commonwealth Bldg., Tel. Amherst 6-2725. J. Robert Ebelhardt, Rocky Mountain Manager.

DES MOINES 9, IOWA—327 Insurance Exchange Bldg., Tel. Atlantic 2-5966. D. J. Stevenson, Resident Manager.

DETROIT 26, MICH.—613 Lafayette Bldg., Tel. Woodward 5-2305. William J. Gessing, Manager for Indiana and Michigan.

INDIANAPOLIS 20, IND.—5634 N. Rural St., Tel. Clifford 3-2276. William J. Gessing, Manager for Indiana and Michigan.

MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Federal 2-5417. Howard J. Meyer, Northwestern Manager.

NEW YORK 38, N. Y.—17 John St., Room 1401, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.

NEWARK 2, N. J.—10 Commerce Ct., Tel. Market 3-7019. John F. McCormick, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad St., Room 1027, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel. Chestnut 1-1634. Geo. E. Wohlgenuth, Resident Manager.

SAN FRANCISCO 4, CAL.—582 Market St., Tel. Exbrook 2-3054. Robert L. McMullen, Pacific Coast Manager.

### CHANGE OF ADDRESS

Be sure to enclose mailing wrapper with new address. Allow three weeks for completion of the change. Send to subscription office, 420 E. Fourth St., Cincinnati 2, Ohio.

from t  
blicans, s  
ive sessi  
rginia co  
has been  
ife, a nev  
ad had a s  
rginia wi  
HARRY  
stant t  
Washing  
his home  
JOHN E.  
ociety for  
ent of O  
riters, di  
and been  
E. E. C.  
resident  
Upon  
mack  
more than  
etna Lif  
early begi  
preside  
standard  
death wa  
companies  
Occiden  
in Rose  
Occiden  
fourth co  
float ir  
of Roses  
In keep  
"Adventu  
float will  
Looking C  
from the  
in Wond  
Looking C  
float, dec  
will be a  
twin dau  
executive  
Tournam  
Wood.  
Life O  
Premiu  
Life of  
monthly  
and six  
service o  
to induc  
Contra  
cases for  
000. Ben  
lital deat  
waiver  
death be  
or loan  
the third  
erage as  
provisio  
Amo  
ily main  
which b  
sured d  
amount  
of \$100  
Other  
issued t  
issued t  
sued to  
sued to  
000; an  
age 45  
is paid  
and con  
vision i  
mium p  
Juven  
except  
age six  
the A-  
20-pay  
year e  
19. Pre  
availab



from the Democrats to the Republicans, staying on during the legislative session to see the new West Virginia code through. More recently has been president of West Virginia life, a new company at Huntington, and had a supervisory position in West Virginia with Maryland Casualty.

**HARRY J. OVERMAN**, 55, retired assistant treasurer of Equitable Life of Washington, D. C., died of cancer at his home in Richmond.

**JOHN E. JAMES**, 64, with Equitable society for 37 years and a past president of Ohio Assn. of Life Underwriters, died in Youngstown, O. He had been in the business 45 years.

**E. E. CAMMACK**, 77, retired vice-president and actuary of Aetna Life, died. Upon his retirement in 1956, Mr. Cammack had been chief actuary for more than 30 years and had headed Aetna Life's group division from its early beginnings. He also had been vice-president of Aetna Casualty and Standard Fire and at the time of his death was a director of the three companies.

## Occidental Of Cal. Again In Rose Bowl Parade

Occidental Life of California for the fourth consecutive year will sponsor a float in the Pasadena Tournament of Roses parade New Year's day.

In keeping with the parade theme, "Adventures in Flowers," Occidental's float will be titled "Alice Through the Looking Glass" and will feature scenes from the Lewis Carroll works "Alice in Wonderland" and "Through the Looking Glass." Riding the 55 foot long float, decorated with 350,000 flowers, will be Caryl and Susan Volkmann, twin daughters of Occidental group executive Elmer Volkmann, and 1958 Tournament of Roses queen Trudy Wood.

## Life Of Georgia Monthly Premium Plans Introduced

Life of Georgia has introduced a monthly premium series of six adult and six juvenile plans designed for service on a debit basis intermediate to industrial and ordinary coverage. Contracts will be issued in most cases for amounts from \$500 to \$3,000. Benefit features include accidental death and dismemberment with waiver of premium provision; travel death benefit for ages 15 to 65; cash or loan values beginning at the end of the third year, and extended term coverage as an automatic non-forfeiture provision.

Among the adult contracts is a family maintenance plan issued to age 55 which becomes paid up at 65. If insured dies before 65 benefit is face amount plus 12 monthly installments of \$100 for each \$1,000 of coverage. Other adult plans are ordinary life issued to age 70; life paid up at 65 issued to age 55; 20-payment life issued to age 65; endowment at 65 issued to age 55 for not less than \$1,000; and the A-plus plan issued to age 45 for not less than \$1,000, which is paid up in 20 years, endows at 65 and contains a premium refund provision if death occurs during the premium period.

Juvenile contracts are full benefit, except age 0 issues are one-fourth to age six months. Juvenile contracts are the A-Plus plan, life paid up at 65, 20-payment life, 10-payment life, 20-year endowment and endowment at 19. Premium insurance to age 22 is available with these plans.

## GAMC Management Talks At NALU Annual Meeting Available In Book Form

The "Road to Excellence" management program of General Agents & Managers Conference of National Assn. of Life Underwriters at the recent annual convention in Dallas has been put in booklet form.

Booklets are available to individuals as well as home offices through GAMC at 50 cents per single copy. In its 20 pages the booklet presents transcripts of the seven talks on the program.

## 'Pay Less For Car And Put Difference Into Boosting Life Insurance Program'

(CONTINUED FROM PAGE 2)

security and money for their retirement?

There is an answer and it is very simple.

For example, let's assume our prospect who is drooling over a 400 horsepower 1959 monster is about 30 years of age. He has a wife and two children and is buying his own home on a mortgage. His income is about \$5,000 a year.

### New Car Too Costly

You and I know that with this man's mortgage payments added to the normal living costs of his family, he should never go nearer to expensive cars than the pages of a newspaper. He is in a situation which makes it vitally necessary for him to have something to show for every dollar he spends.

Let's continue to assume that he is thinking of signing up for a \$100 per month payment on the new car. That's \$1,200 a year. In another two years he will have almost nothing to show for it. And, if he should die before the car is paid for, his wife could not afford to finish the payments. She would have to be satisfied with something much less costly or no car at all.

Now let's see what that whole \$1,200 a year would mean to this man if he invested it in a good solid whole life package.

1. He would be insured for \$70,000.
2. If he died, his wife would not have to give up the car.
3. Upon retirement at age 65, he could request and receive from us more than \$40,000 in good hard cash.
4. If he should die before then, his family would receive \$70,000 in cash or \$300 a month for 25 years.
5. His family would have plenty of money to pay off the mortgage if he should die.
6. An urgent need for cash would yield the following loan values: three years—\$1,330; five years—\$3,430; 10 years—\$9,100; 15 years—\$15,050; 20 years—\$21,280; age 55—\$27,580; age 65—\$39,830.

### Why Not Pay Half?

Could you find potent living values like that in a memory of 17 old automobiles? Sadly, no!

But Mr. New Car Buyer will argue, "I can see your point and those savings look mighty good to me . . . but I simply have to have a car to get around." There's your opening!

While that thought is fresh in his mind, ask him this pointed question, "You may be right! . . . Why not consider a car that would require a payment only half as large? . . . Then you could have an up-to-date car and put the difference into the lasting investment I've just described?"

## Stocks

By H. W. Cornelius, Bacon, Whipple & Co.  
135 S. LaSalle St., Chicago, December 22, 1958

	Bid	Asked
Aetna Life	231	237
Beneficial Standard	15 1/2	16 1/2
Business Men's Assurance	99	104
Cal.-Western States	112	117
Columbian National	120	124
Commonwealth Life	27	28
Connecticut General	357	362
Continental Assurance	167	172
Franklin Life	82	84
Great Southern Life	86	90
Gulf Life	23 1/4	24 1/4
Jefferson Standard	88	92
Kansas City Life	1575	1600
Liberty National Life	49 1/2	51
Life & Casualty	21 1/4	22 1/4
Life of Virginia	53	55
Lincoln National Life	243	248
National L. & A.	116	118
North American, Ill.	20 1/4	21 1/4
Nw. National Life	93	Bid
Ohio State Life	275	300
Old Line Life	58	Bid
Old Republic Life	24	26
Republic National Life	58	62
Travelers	96	98
United, Ill.	50	52
U. S. Life	48	50
Wisconsin National Life	70	72
Washington Natl.	58	62


## Mutual Savings Life Of Mo. To Be Reinsured By American United Life

ST. LOUIS—A proposal to merge Mutual Savings Life of St. Louis into American United Life of Indianapolis will be considered at a public hearing this week by the Missouri department. American United, according to the proposal, will reinsure the \$38 million of Mutual Savings life insurance in force and succeed to its assets, which now are approximately \$18.5 million.

Mutual Savings Life has been operating in seven states. It was organized in 1941 and that same year reinsured the business of Central States Life of St. Louis which had been declared insolvent the year before.

American United has more than \$1 billion in force.

**Cornbelt Life** of Freeport, Ill., reports that the first 10 months of 1958 the company was 60% ahead of the same period last year in both premium volume and insurance in force. Insurance in force has passed the \$7 million mark in a little more than three years.



### What We Mean By "Change Easy"

"What," asked the Occidental policyholder, "is this 'Change Easy' insurance you're advertising nationally?" This was our answer:

"It's that \$10,000 Term policy bought when you were married and changed to Endowment last year when you were promoted. It's the \$100 a month family income you included when Peter was born and the additional \$100 when Debbie came along, plus the \$10,000 education fund you tacked on last year . . .

"It's the provision you added to pay off your \$15,000 mortgage when you bought your home, the Family Plan insurance on Mary and the kids . . . the \$200 a month disability income for you.

"All those benefits—added as needed to one policy—plus your family hospital and major medical plans, now paid with one pre-authorized monthly check . . . this is 'Change Easy' insurance."

**Occidental Life**  
INSURANCE COMPANY OF CALIFORNIA  
Home Office: Los Angeles / W. B. Stannard, Vice President

We pay Lifetime Renewals...they last as long as you do!

## Check Federal Regulation By Cooperation

(CONTINUED FROM PAGE 4)

James E. Stuart, vice-president of Blue Cross, said that from an operational standpoint Blue Cross must preserve the differences between its way and those of the insurance industry, if the public is to have any meaningful choice between the two types of health coverage. He also asked for an understanding of the Blue Cross position.

### Methods Valid, Concepts Are Not

Pointing out that Blue Cross has little in common with the concepts that motivate the insurance industry, he said, however, that the methods of insurers are valid and sound for their purposes, as are Blue Cross' for its purposes. If, on the other hand, Blue Cross is forced by legislation, regulation or competition to copy the pattern of the insurance industry, then the necessity for federal intervention will become serious and legislation toward that end will be imminent.

The public, Mr. Stuart said, is willing to pay for adequate coverage voluntarily if it can be assured that the prepayment dollar is used economically and goes as far or farther than a tax dollar would go for health benefits.

Dr. Donald Stubbs, chairman of the

Blue Shield plans, said that although the present size of Blue Shield is impressive, the much more important contribution it has made is towards the stability of the whole voluntary approach to prepayment of health services.

"Blue Shield," he said, "is the key to the maintenance of a private enterprise system of health care which can be supplanted only by governmental expansion into the field to a degree unprecedented in any important phase of individual American life."

### Educational Program

Dr. Gunnar Gunderson, president of American Medical Assn., in his portion of the symposium called upon the insurance industry and the medical profession to launch an educational program aimed at the public and designed to show the importance of using its voluntary health plans, but not abusing them.

Dr. Gunderson suggested that the education program be started after the insurance industry and the physicians have completed, or at least have launched efforts to contain medical costs. He said that physicians, aware of rising medical costs and their

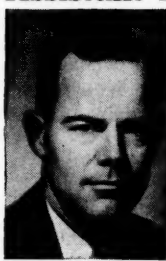
threat to private practice and to voluntary insurance, have been experimenting with advisory fee lists as guides to the propriety of their charges. These lists, he said, also give insurers essential data basic to the underwriting of adequate sound coverage.

### Care Of The Aged

Ray Amberg, president of American Hospital Assn., told the symposium, "Hospitals are agreed that their most unmistakable pressing problem is the hospital care of the aged."

He said, "Recent disturbing statements, such as the cost of meeting the hospital care of the aged, has become a political problem of great moment and 'will not go away,' and unless local public effort and voluntary measures are forced to alleviate these problems, higher levels of government will be called up."

## Institute Names Hill Assistant Treasurer



George G. Hill

George G. Hill has been elected assistant treasurer of Institute of Life Insurance.

Mr. Hill joined the institute staff as an accountant in 1957 and before that was with General Motors Acceptance Corp. in the treasurer's department.

## Convention Dates

Dec. 28-29, American Assn. of University Teachers of Insurance, annual, LaSalle Hotel, Chicago.

### 1959

- Jan. 29-30, Life Underwriters Assn. of Canada, annual, King Edward Hotel, Toronto.
- Feb. 16-18, Health Insurance Assn., group insurance forum, Biltmore Hotel, New York.
- Feb. 20-21, New York State Assn. of Life Underwriters, general agents and managers meeting, Gideon Putnam Hotel, Saratoga.
- March 15-20, National Assn. of Life Underwriters, mid-year, Leamington Hotel, Minneapolis.
- March 16-18, LIAMA, agency management conference, Edgewater Beach Hotel, Chicago.
- March 19-20, Society of Actuaries, eastern meeting, Commodore Hotel, New York.
- April 13-15, LOMA automation forum, Drake Hotel, Chicago.
- April 20-22, LIAMA, A&S meeting, Edgewater Beach Hotel, Chicago.
- May 4-6, Health Insurance Assn., Bellevue-Stratford Hotel, Philadelphia.
- May 6-8, LIAMA, combination companies conference, Roosevelt Hotel, New York.
- May 10-13, LIAMA, agency officers round table, The Homestead, Hot Springs, Va.
- May 15, Illinois Assn. of Life Underwriters, annual, Hotel Leland, Springfield.
- June 8-12, NAIC, annual, Statler Hotel, Boston.
- June 11-12, Society of Actuaries, western meeting, Fairmont and Mark Hopkins Hotels, San Francisco.
- June 11-13, ALC medical section, The Homestead, Hot Springs, Va.
- June 14-17, International Assn. of A&H Underwriters, annual, French Lick-Sheraton, French Lick, Ind.
- June 15-26, ALC life officers investment seminar, Beloit College, Beloit Wis.
- Sept. 20-25, National Assn. of Life Underwriters, annual, Bellevue-Stratford Hotel, Philadelphia.
- Sept. 28-30, LOMA annual conference, Edgewater Beach Hotel, Chicago.
- Oct. 12-16, American Life Convention, annual, Edgewater Beach Hotel, Chicago.
- Oct. 26-28, Life Advertisers Assn., annual Drake Hotel, Chicago.
- Oct. 29-31, Mid-West Management Conference, annual, French Lick, Ind.
- November 9-13, LIAMA, annual, Queen Elizabeth Hotel, Montreal.
- November 16-18, Health Insurance Assn., individual insurance forum, Biltmore Hotel, New York.
- November 9-11, Society of Actuaries, annual, The Greenbrier, White Sulphur Springs, W. Va.

## Bankers National To Introduce New Riders, Policies On Jan. 1

Bankers National Life has introduced new policies and riders, effective Jan. 1. Quantity discount is offered on all participating policies with the exception of two special policies.

The ranges of face amounts and their respective discounts per \$1,000 are \$7,500 to \$14,999, \$1.50; \$15,000 to \$24,999, \$2.50, and \$25,000 and above, \$3. The same discount rate is applicable to the family policy, though it is a non-participating policy. Term policies, both par and non-par, receive a flat discount of \$1 per \$1,000 face amount for \$25,000 or more.

Among new policies being introduced is a participating ordinary life policy with optional benefits. To the contract may be added a guaranteed insurability rider, return of premium benefit, accidental death benefit, waiver of premium or full disability benefit, family income rider. The policy is eligible for quantity discount.

The guaranteed insurability rider being offered with the participating ordinary life plan from ages 0 to 21 has up to five option dates for younger ages. Under the terms of the rider, insured may buy additional amounts of coverage equal to the face amount of the original policy, with a maximum of \$12,500 on each of the anniversary dates.

The return premium rider may be added to all participating policies except term and plans already containing a similar benefit to provide for the return of premiums paid in the event of death occurs before 20 years or age 65, if sooner.

## See Magnusson In Line For Minn. Commissioner

ST. PAUL—Cyrus E. Magnusson, executive secretary to Gov. Freeman, is reported to have the inside track for appointment as Minnesota commissioner when Commissioner Sheehan's term expires.

Mr. Magnusson, 54, formerly was in the insurance business at Two Harbors where he also served as mayor.

## CLU Review Released

The annual CLU review, a 24-page public information booklet, has recently been released by American College and American Society of CLU.

The booklet contains a brief explanation of the CLU program and what it means, written for persons not familiar with the CLU movement and a section of questions and answers. It also contains a list of all local chapters and a brief description of the new style CLU examination that will go into effect next June.

## MANAGEMENT A CONSULTANTS

**O'TOOLE ASSOCIATES**  
Management Consultants  
To Insurance Companies  
Established 1945  
220-02 Hempstead Avenue  
Queens Village 29, N. Y.

**CONSULTANTS**  
IN MARKETING AND  
FOR THE  
**FRANK LANG & ASSOCIATES**  
ONE NORTH LA SALLE ST.  
CHICAGO 2, ILLINOIS  
521 FIFTH AVENUE  
NEW YORK 17, N.Y.

## IF ITS PERFORMANCE YOU WANT . . .

You expect top performance when you attend a concert. You want top performance when you buy a new car.

Why should it be different when you purchase an insurance policy. Federal Life assures policyholders of top performance, not only on their policy but from their dependable Federal Life Agent. Federal Life Agents render top performance because of the efficient, up-to-date methods used in their new home office.

If you want top performance from an insurance policy or from Home Office—Federal Life is the company for you to contact.



**FEDERAL LIFE**  
**INSURANCE COMPANY**

6100 North Cicero Avenue, Chicago, Illinois

This is the Symbol  
of Success to a  
Fast-Growing Group  
of General Agents



**Old Republic**  
Life Insurance Company

307 North Michigan Avenue, Chicago 1, Illinois

are you  
ready  
to join  
them?



# Home Office Changes

## Franklin Life



G. T. Kamataris

George T. Kamataris has been named director of sales in the home office agency department. With the company for 11 years, Mr. Kamataris began as an agent in California in 1947 and in 1950 was promoted to general agent in Oakland. From 14 agents and \$12 million in force in January, 1947, the Franklin California sales force has been expanded to over a guarantee of almost \$350 million in force. In this expansion, Mr. Kamataris has for the past several years been executive sales assistant to George A. Landis, western sales director, in recruiting, training and administration at the California state headquarters in Los Angeles.

John E. Smith has been appointed midwest sales director with the home office agency department staff. He entered life insurance in 1947 as an agent for Prudential and since last February has been general agent at Denver for Franklin Life.

## Republic National Life

Ferd A. Schuth has been appointed superintendent in charge of guaranteed issue. Formerly regional brokerage manager for the company in Houston,

Mr. Schuth will be responsible for the development and expansion of the guaranteed issue program in the 40 states and three territories in which the company operates. He had 12 years previous experience in life insurance selling and agency management before going with Republic National.

## West Coast Life



Robert Cecil

Robert E. Cecil, manager of agencies, is leaving the company to become president of Continental Life & Accident of Boise, Ida., effective Feb. 1, 1959. Mr. Cecil has been with West Coast Life 29 years. He went with the company in 1930 as assistant manager at Manila, P. I., becoming manager there in 1935.

In 1945 he returned to the U.S., after 40 months as a prisoner of war of the Japanese and subsequently was appointed manager at Los Angeles. He became superintendent of agencies for southern California and Arizona in 1950, and two years later went to the home office, where he has directed field training in addition to other agency building activities.

## Phoenix Mutual Life

Hugh S. Campbell has been advanced to vice-president and counsel,



Hugh S. Campbell



Robert T. Jackson

Robert T. Jackson to 2nd vice-president and associate actuary, Arthur E. Erickson Jr. to assistant actuary, and Carl M. Wissinger to mortgage secretary. Mr. Campbell has been with the company since 1933 and has been 2nd vice-president and counsel since 1954. Mr. Jackson joined Phoenix Mutual's actuarial department in 1939 and has been secretary and associate actuary. He is a fellow of Society of Actuaries. With the company since 1953, Mr. Erickson has been actuarial assistant with the rank of manager. He is also a fellow of Society of Actuaries. Mr. Wissinger joined the mortgage office in 1946 and has been manager of city loans since 1955.

## Security Mutual Of New York

Appointed to managerial posts are Norman E. Whiton, claims, life and A&S; Thomas M. Blauvelt, group underwriting and issue division, and Donald J. Dexheimer, group administrative division.

Mr. Whiton began his insurance career with Paul Revere Life at Worcester, Mass., as claim examiner in 1947, and in 1953 became district

claim manager of Loyal Protective Life at Chicago.

Mr. Blauvelt, former assistant manager of group underwriting, joined Security Mutual as a claim examiner in 1952.

Mr. Dexheimer first joined Security Mutual in 1949 and in 1957 became administrative assistant of Ohio State Life, the post he held until his return to Security Mutual.

## Massachusetts Mutual

Doctors Ronald T. Abbott and C. Paul Nay have been appointed assistant medical directors. Dr. Abbott has been a general practitioner at Moose Jaw, Sask., Can., and Dr. Nay has been a specialist in internal medicine in Binghamton, N. Y.

## Tennessee Life

Curtis M. Smith has been elected president, succeeding Carl Myers, who will retire Dec. 31. Mr. Smith has been with Tennessee Gas Transmission Co., parent firm of Tennessee Life, since 1944 and has been a vice-president

of the natural gas pipeline company since 1952. Mr. Myers became president of Tennessee Life at its organization in 1952.

## General American Life



William F. Ogle

William F. Ogle has been appointed associate general agent in his father's agency in Birmingham, Ala. A brother, James O. Ogle Jr., is also an associate general agent there. William Ogle has been in the agency management training program of General American Life for over three years.

## Life Of Virginia

J. Cowin Smith, vice-president of Life of Virginia, has been named secretary of the company, filling the vacancy created by the recent death of Charles T. Rogerson. Mr. Smith

## YOU Can Start a Chain Reaction of Sales . . .

by Joining the March to N.A.A.I.C.\*

Your future with this company can grow . . . and grow:

1

## New, Streamlined Life Portfolio!

NAAIC's Life lines have been revised—realistic, saleable rates.

2

## New Group Facilities—Life and A&H!

3

## Outstanding Agency Contract!

Ask any North American Agent what he thinks of his contract! It's unbeatable!

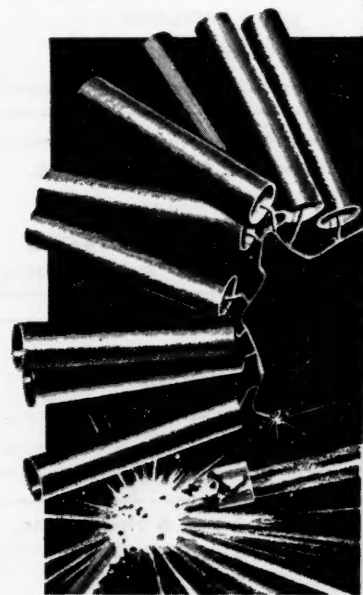
There are other reasons, too, why top insurance men know it's smart business—profitable business to work with the North American Accident Insurance Company—Chicago.

- Top Commissions . . . Level A&H Renewals
- No Branch Offices To Compete With You
- Concrete Assistance—gets you off to the right start with hard-hitting sales aids and promotional materials.
- Extra Incentives to supplement your production achievements.

If You Are Interested In Making Money—Not Just Today But Years From Now—remember you can start a chain reaction of sales by writing

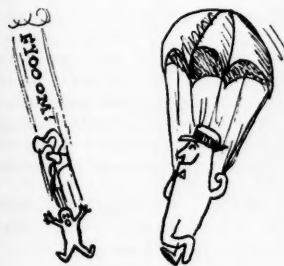
S. Robert Rauwolf, Vice President, Dept. J

\*The familiar abbreviation for the North American Accident Insurance Company—one of America's oldest and strongest Personal Insurance stock companies.



North American Accident Insurance Company

Licensed to operate in the 48 states and the District of Columbia  
LIFE • ACCIDENT • HEALTH  
209 SOUTH LA SALLE STREET • CHICAGO 4, ILLINOIS



## THINGS ARE JUST A LITTLE BIT BETTER AT GUARANTY SAVINGS!

Interested in a career agency of your own? General Agent openings (some established) in Alabama, Georgia, Florida, Mississippi, Louisiana, South Carolina, Tennessee.

Call Collect  
Lee Roy Usery,  
President  
AM 3-1028

- Life
- A & H



Home Office — Montgomery, Ala.

joined the company in 1920 and in 1948 was advanced to vice-president. Later he assumed charge of the home office personnel department. As vice-president and secretary, he will continue to direct these activities.

### Metropolitan Life

Richard R. Shinn, 3rd vice-president since 1957, has been named 2nd vice-president, group insurance, and Ernest K. Beckley becomes superintendent of agencies of the Atlantic coast territory. Mr. Shinn joined Metropolitan in 1939 in the group department and was placed in charge of the group sales management unit in 1952. He was appointed assistant vice-president in 1953.

Mr. Beckley, former assistant superintendent of agencies, began his career with Metropolitan in 1941 at Harris-

burg and has been manager of the Washington and Easton districts in Pennsylvania and executive assistant in the field training division. He succeeds John E. Neal who has transferred to the Pacific coast territory as superintendent of agencies where he succeeds Julius O. Klein. On Jan. 1, Mr. Klein becomes vice-president in charge of the Pacific coast head office.

Other year-end appointments are Joseph A. Ryan Jr., assistant controller; Herbert H. Marks, assistant statistician; Kenneth D. Mitchem, assistant actuary; Edward F. Delfoe and Charles D. Dunkin, assistant vice-presidents, group insurance; Damian J. Hogan, assistant vice-president, farm mortgages, and Dr. William R. Cunnick Jr., assistant medical director.

Also, John V. Pfister and T. Russell Ryerson, assistant vice-presidents, ordinary insurance; John A. Sherman

and Vincent A. Wall, assistant vice-presidents, industrial insurance; Walter R. Tyler, assistant vice-president, publication division, and Dr. Cecil McIvor, assistant medical director, Canadian head office.

### Travelers

Named assistant superintendents of agencies are George F. Stevens, manager at New York; Malcolm W. Dunlevie, manager at Newark; David W.



David W. Williams



George F. Stevens

Williams, manager at Miami, and Harry G. Williams, assistant superintendent of training, life and A&S agency department. Promoted to assistant superintendents of special services are John R. Prindle, assistant manager at Pittsburgh, and Harry W. Rankin, assistant manager at Cincinnati.

Mr. Stevens joined Travelers at St. Louis in 1932, and was named manager there in 1949. He became manager at New York in 1953. Mr. Dunlevie has



Harry G. Williams



Malcolm W. Dunlevie

been with the company since 1948 and has also been manager at Miami and Houston. David Williams, with Travelers since 1950, was named assistant manager at Norfolk before becoming manager at Miami in 1956. Mr. Harry Williams started with the company in 1946 and was manager at Halifax and Ottawa before going to the home office as assistant superintendent of training in 1956.

Mr. Prindle has been with Travelers since 1948 and has also served as assistant manager at Jackson, Miss. Mr. Rankin joined the company in 1951 and became assistant manager at Cincinnati in 1954.

### Prudential

Edward J. O'Mara, prominent Jersey City attorney, has been elected a director to succeed the late Adm. Oscar C. Badger.

### Western Life

Luther G. Thompson, agency administrative vice-president, has been appointed chief agency officer and chairman of the agency committee. With Western Life since 1944, Mr. Thompson previously has been with National Fidelity Life and vice-president and manager of agencies of George Washington Life.

Loane Randall has been named sales vice-president for the western region. Since February, he has been superintendent of agencies for the intermountain territory. He has been

with Mutual Life of New York, St. Paul and executive vice-president of St. Paul Hospital & Casualty.

George B. Parsons has been named director of sales promotion and J. Hallowell director of publicity. Parsons to joining Western Life, Mr. Parsons had been sales promotion manager Northwestern National Life.

### Maccabees

Ralph R. Glaser has been appointed regional vice-president western states. Mr. Glaser, who for five years has been agency director in California for Northwestern Life, will head the Maccabees' western regional office at 681 Market street, San Francisco.



Ralph R. Glaser

The Maccabees recently voted to separate fraternal activities from the insurance organization, which shall be continued as the Maccabees Mutual Life. According to the company the appointment of Mr. Glaser sets the stage for a large expansion program in the western states.

### Connecticut Mutual

Robert E. Stevens has been promoted to assistant supervisor of securities. He joined the investment department in 1951 and was named securities analyst in 1956.

### Northwestern Mutual

Howard J. Kopp has been appointed to the newly-created post of assistant comptroller-budgets. He has been with Northwestern Mutual as consultant on budget and fiscal controls since last January.

CANADA LIFE has appointed D. M. Ellis and J. R. Gray actuary and F. E. Rooke, J. B. Walker, and W. B. Waugh associate actuary. J. Gordon Beatty, vice-president and actuary, is relinquishing his actuary responsibilities but is continuing as vice-president. He has been elected a director.

NORTH CAROLINA MUTUAL LIFE has named Asa T. Spaulding president to succeed William J. Kennedy Jr., who is retiring.

COMPANION LIFE has elected Bernard F. Brady, former assistant underwriting secretary, as assistant vice-president and chief underwriter. He has been with Companion since 1949.

GOTHAM LIFE has appointed Sanford F. Gilbert, former superintendent of agencies of Empire State Life, as supervisor of agencies.

NATIONAL EQUITY LIFE—Duke Kilgore has been named assistant director of agencies.

## A Service Guide

### ACTUARIAL COMPUTING SERVICE, INC.

1389 Peachtree Street, N.E., Atlanta 8, Georgia, P.O. Box 6192, Tel. TRinity 5-6727.

## ACTUARIES

A

**BOWLES, ANDREWS & TOWNE, Inc.**  
ACTUARIES  
MANAGEMENT CONSULTANTS  
LIFE—FIRE—CASUALTY  
EMPLOYEE BENEFIT PLANS  
RICHMOND ATLANTA NEW YORK  
PORTLAND

### DONALD F. CAMPBELL

Consulting Actuary

198 W. Randolph St. Chicago 1, Ill.

### CHASE CONOVER & CO.

Consulting Actuaries  
and Insurance Accountants

Telephone WAbash 2-3575  
332 S. Michigan Ave. Chicago 4, Ill.

### COATES, HERFURTH & ENGLAND

Consulting Actuaries

San Francisco Denver Los Angeles

### Lenard E. Goodfarb, F.S.A.

Consulting Actuary

Market Street National Bank Building  
Philadelphia 3, Pa. Rittenhouse 6-7014

### E. P. HIGGINS & CO.

(Frank M. Speakman Associates)

Consulting Actuaries Bourse Building  
Accountants Phila. 6, Penna.

### Haight, Davis & Haight, Inc.

Consulting Actuaries  
Insurance—Pensions

2801 North Meridian St. 5002 Dodge St.  
Indianapolis 8, Ind. Omaha 32, Neb.

### Milliman & Robertson, Inc.

Consulting Actuaries

914 Second Ave. 400 Montgomery St.  
Seattle 4, Wash. San Francisco 4, Calif.

### NELSON and WARREN

Consulting Actuaries  
Pension Consultants

ST. LOUIS KANSAS CITY

THE *Howard E. Nyhart Company*  
INCORPORATED  
CONSULTING ACTUARIES

### RINTYE, STRIBLING & ASSOCIATES

Consulting Actuaries—Insurance Accountants  
Pension Consultants

William-Oliver Bldg. Atlanta  
Jackson 3-7771

### Irwin Solomon & Co.

Consulting Actuaries  
Management Consultants

342 Madison Avenue  
New York 17, N. Y.

### CARL A. TIFFANY & CO.

CONSULTING ACTUARIES

211 West Wacker Drive  
CHICAGO 6

Telephone Central 6-1288

### Harry S. Tressel & Associates

Consulting Actuaries  
Pension Consultants

10 S. LaSalle St. Chicago 3, Illinois  
Harry S. Tressel, M.C.A. Irma Kramer  
Alan K. Peterson, A.S.A. E. J. Pilaudski  
D. W. Sneed Wm. P. Kelly

FRanklin 2-4020

### Wolfe, Corcoran and Linder

Consulting Actuaries  
Insurance Accountants

Employee Benefit Plan Consultants  
116 John Street New York 38, N. Y.



# Changes In The Field

## Union Central life

Union Central Life has appointed Robert E. Hoff, Kendrick Brown, and Jerry H. Fischer managers at Albuquerque, Little Rock and Toledo, respectively. Mr. Hoff was formerly agency supervisor at Albuquerque for Minnesota Mutual Life and has been in insurance for 11 years. Mr. Brown was formerly manager at Little



Robert E. Hoff



Jerry H. Fischer



Kendrick Brown

Rock for Southwestern Life. Previously a division manager at Cincinnati for Prudential, Mr. Fischer is a specialist in business insurance and estate analysis.

## Colonial Life

James L. Hazelwood has been named regional superintendent of New York state with headquarters at Syracuse. He began his career in the life business with Aetna Life at New York in 1952 and in 1953 was appointed brokerage supervisor. He is a CLU.



James L. Hazelwood

## Life Of Virginia



Frank Ammons

Frank Ammons has been named manager at Dallas. He has been brokerage supervisor of New York Life at Dallas.

## Connecticut Mutual

Gerald F. Bliss has been named head of the newly established district agency at Mobile, and Russell F. Mathews becomes assistant general agent in charge of the Phoenix district agency. Mr. Bliss has been in the life business since 1952. He is first vice-president of Mobile Life Underwriters Assn. and vice-president of Alabama Life Underwriters Assn. Mr. Mathews has been in the life field for 17 years.

He is a CLU and has been treasurer of Detroit Life Underwriters Assn.

## Prudential

Three managers have been transferred in Philadelphia district offices. Anthony J. Valentine, head of the Juniata Park district since 1956, becomes manager of the Pennypack district. Alfonso G. Persico, who succeeds Mr. Valentine, has managed the League Island district since 1954. Anthony Del Prete, manager at Tioga since 1956, becomes manager at League Island.

D. N. Packwood, former manager at Albuquerque since 1957, has been transferred to Peoria where he will head the Prudential agency there. He joined the company as special agent at Cheyenne in 1949 where he was promoted to division manager in 1953.

## Franklin Life

George J. Lamb has been appointed regional manager for Nebraska by Franklin Life. He entered the life insurance field in 1952 as an agent for Reserve Life. In 1956 he became vice-president and agency director of Western Security Life.



George J. Lamb

## Occidental Of California

Gerald E. Bushman has been appointed brokerage manager at Whittier, Cal. He has been with Occidental of California in Whittier since 1955 and was appointed assistant branch manager early in 1957.

David W. Wetherill has been appointed assistant manager of the Philadelphia office. He has been with Occidental in Philadelphia for nearly six years and represented Aetna there from 1950 to 1953.

John R. Lewis has been appointed assistant brokerage manager at Kansas City. He has been with Occidental in Kansas City since early in 1957.

## Old Equity Life

Harry K. Newberger and Herbert F. Higgs have been named regional sales directors of the company, which has its head office at Evanston, Ill. Mr. Newberger has been with the company since 1949, most recently as assistant superintendent of agencies. Mr. Higgs has been director of field training and before that was state manager in the Southern Illinois Territory, Messrs. Newberger and Higgs both will have territories in five states under their supervision.

## New England Life

Spottswood W. Duke has been named director of estate planning at Dayton for the Thomas H. Gillaugh agency, and Judson T. Pettis has been appointed supervisor there. He was formerly a supervisor at Detroit. Mr. Duke has been with the Gillaugh agency for a number of years.

## Travelers



William J. Murphy

he was manager at Lubbock, Tex., and Sioux City.

Appointed district group supervisors are Steven E. Camp, Hempstead, N. Y.; John A. Ross Jr., New Haven; Merrill E. Blatchford, Omaha; E. H. Clark, Nashville; James W. Smith, Duluth; Benjamin W. Ralston, Lubbock, Tex.; T. Donald Philp, Calgary, Alberta, Can.; Arthur L. Green, Oklahoma City; Harry R. Grassick, Hartford; Frederick J. Volkmer, Tampa, and Arthur P. Allsop, Seattle.

Mr. Camp has been assistant district group supervisor at New York and Hempstead. Mr. Ross has been assistant district group supervisor at New Haven and group supervisor at Hartford. Mr. Blatchford, assistant district group supervisor at Omaha, earlier was group supervisor at Des Moines. Mr. Clark has been assistant district group supervisor at Nashville since 1952.

Mr. Smith has been group supervisor at Minneapolis and assistant district group supervisor at Duluth. Mr. Ralston, assistant district group supervisor at Lubbock, has been group supervisor there and at Dallas. Mr. Philp, assistant district group supervisor at Calgary, has been group supervisor at Detroit. Mr. Green has been group supervisor at Des Moines and Sioux City and transferred to Oklahoma City in 1957 where he was named assistant district group supervisor.

Mr. Grassick has been annuity underwriter, group pension divisions at the home office and supervisor of group pensions at Hartford. Mr. Volkmer has been assistant district group supervisor at New York and Tampa. Mr. Allsop became group

supervisor at Seattle in 1952 and two years later transferred to the home office group sales promotion division. He was promoted to assistant district group supervisor at Seattle in 1955.

## Ohio State Life

Max W. Phillips & Associates, 2407 Noriega street, San Francisco, has been appointed general agents for the company there. Max Phillips, agency president, has been licensed in San Francisco since 1931. His son, Irwin A., is vice-president.



Max W. Phillips

A full-time life, A&S and group department was established by the agency early this year. In the first 90 days it wrote over \$435,000 of life business and more than \$10,000 in A&S premiums. The agency now represents 25 casualty and life companies. It is the only Ohio State Life general agency in the San Francisco Bay region.



Harry Farber

Harry R. Farber has been appointed associate general agent and manager of the Max W. Phillips & Associates agency at San Francisco. Mr. Farber has been manager of the agency's life department since April of this year. He has been in the life insurance


business as personal producer and manager for more than 20 years.

## Continental Assurance

Robert L. Otto has been promoted to agency manager at Huntington, N. Y. He is joining Continental Assurance after five years in the business.

## Pacific Mutual Life

Rexford M. Truesdell is retiring as general agent at Pasadena to give full time to personal production. He en-



*Nation-Wide Service for Life Insurance Representatives*

**Loans are available for you on your renewal commissions—for additional working capital, for business expansion, for personal use. Prompt, efficient, confidential service, from the outstanding organization specializing in direct loans to life insurance underwriters.**

**Life Underwriters Service Corporation**

Life Underwriters Service Corp.  
Security Bldg., Denver 2, Colo.

I am interested in your service. Please send further information, at no obligation to me.

Name \_\_\_\_\_ ☐ Agent  
Address \_\_\_\_\_ ☐ Gen. Agt.  
City \_\_\_\_\_ State \_\_\_\_\_

36

Mail this  
Coupon  
today

tered insurance with Equitable Society at Sioux City and became general agent at Pasadena for Pacific Mutual in 1941. Mr. Truesdell will continue with the Pasadena agency, now managed by Eugene M. Felten.

### National Life Of Vermont



John R. Stilb

John R. Stilb has been named general agent for southern Arizona with headquarters at Tucson. He has been an associate general agent of the Phoenix agency, with offices at Tucson, since 1953 and before that was with Northwestern Mutual. He is a past president of Southern Arizona Life Underwriters Assn. and of Southern Arizona Estate Planning Council and a 1957 and 1958 qualifier for Million Dollar Round Table.

### Illinois Mutual L.&C.

William McGowan has been appointed regional superintendent of northern Kentucky and northern Indiana, and Louis A. Jambor has been named to a like post in northeastern Ohio. Eugene A. Willis has been appointed group representative in the Chicago area.

### Lincoln National Life

Richard E. Waack has been named supervisor in the J. C. Arnold agency Davenport, Ia. He had more than 12 years in the field of sales before going with the company in 1956.

### Northwestern Mutual Life

Martin R. Eggers has been appointed mortgage loan regional manager at Indianapolis for Northwestern Mutual. He has been with the company since 1941 and has been loan supervisor of the Minneapolis mortgage loan regional office since 1953.

### Republic National Life

William G. Bellm and John O. Boner have been named general agents at Yakima, Wash., and Indianapolis, respectively, by Republic National Life. Both men have well-established agencies in their respective territories.

Victor J. Arrubarrena of Rio Piedras, P. R., has been named regional group manager for Republic National. He has several years of life insurance experience.

**FIRST COLONY LIFE** has named Oscar A. George manager at Baltimore. He has been with Life of Virginia.

### North American Accident

Perry-Gershaw agency, 501 Washington street, Boston, was appointed general agency for the company. The agency is headed by Edward S. Perry and Ira E. Gershaw.

### Jefferson National Life

Carl C. Sutliff and Robert L. Houk have been appointed general agents at Grand Blanc, Mich., and Valley Station, Ky., respectively, by Jefferson National Life.

### Occidental Of Raleigh

Appointed district managers are Noel T. Cudd Jr., Corpus Christi; J.

David Garner Jr., Fort Worth, and Everette E. Baggerly, Agana, Guam.

### Indianapolis Life



Raymond T. Moore has been appointed general agent in San Antonio and will occupy the company office which has been at 842 Milam building for many years. He has been in personal production in San Antonio for a number of years.

### Massachusetts Mutual

Joseph Vason III has been named district manager at Fort Lauderdale. He has been in the life field for the past 19 years.

### North American L.&C.

Group offices have been opened in Los Angeles by North American L.&C. Charles E. Lapp Jr. has been appointed group supervisor there.

**AMERICAN LIFE OF NEW YORK** has appointed American Life and A&S agency general agent at New York. Fred D. Rappaport, president of the agency, has been with the J. B. Rappaport agency of Colonial Life at New York.

### Hooper-Holmes Raises King To V-P On Coast

Hooper-Holmes Bureau has named James H. King Jr., division supervisor, vice-president of the Pacific coast division.

Mr. King joined the reporting bureau in 1946 as an inspector in New York. He was promoted to manager of the Indianapolis office and was transferred to the west coast in 1951 as service analyst. He became division supervisor there a year later.



James H. King Jr.

### GAMA Formed At Topeka

The 149th local General Agents & Managers Assn. has been formed at Topeka by General Agents & Managers Conference of National Assn. of Life Underwriters. Officers elected to the new local are Herbert Langsdorf Jr., New England Life, president; Thomas C. Murphy, New York Life, vice-president, and A. Grant Bening, Penn Mutual, secretary-treasurer.

### Life Of North America Has First \$1 Million Paid Ordinary Day

Life of North America observed its first \$1 million day in November with \$1,321,620 in paid ordinary business. The figure, which was more than the total production during its first month of sales operation last January, contributed towards making November a record month with more than \$7 million in paid for ordinary business.

**Guarantee Mutual Life** during the first 11 months of 1958 established a new all-time production record with over \$75 million of new insurance issued. Life sales during November showed a 21% increase over the same month last year.

### Hunt Of Oklahoma Tells Off Bad Guys

Commissioner Joe B. Hunt of Oklahoma has sent out a press release announcing that he has learned the identity of the "private eye" that has been investigating him. He is an ex-FBI man and an attorney in a private detective agency in Miami.

Mr. Hunt says it has reached a point where he "hesitates to answer the telephone and when he walks into a room he wonders whether or not it is bugged and where the cameras and microphones are hidden, and that it is a serious matter when a public official is subjected to an investigation as if he were criminal although he has nothing to hide in his private or official life."

Mr. Hunt states that "if the party who hired this investigator intends to try to blackmail him in order to keep him from enforcing the insurance laws of this state, then that party is wasting his time and should keep his filthy money in his slimy hands close to his evil heart."

### Family Plan Introduced By Mutual Benefit Life

Mutual Benefit Life's new family coverage, providing term on the wife and qualifying children, is being made available immediately in all states but Massachusetts, Missouri and New York, where it is awaiting approval.

An important feature of the coverage is that insured may request extra benefits such as additional death benefit, disability waiver, family protection. Death benefits may be applied under settlement options set forth in the husband's basic policy.

The husband's permanent life plan may be ordinary life or any other life or endowment plan with premiums payable to his wife's age 60. Minimum face amount of the husband's policy is \$5,000. Coverage on the wife is term which decreases for several years and is level thereafter to the expiry date. The wife's coverage is a minimum of \$1,000 per unit and can be converted at expiry.

Covered children have level term of \$1,000 per unit from age six months to age 25 or to the expiry date, if earlier. The amount of coverage on each child is \$250 per unit from age 15 days to six months. Upon expiration the child may convert to a permanent plan without evidence of insurability for coverage up to 2½ times the amount in force before expiry.

The maximum limit for the family plan is four units or less, with one unit for each \$5,000 face amount of the basic policy.

### Blues Battle In Pa.

Blue Cross and Blue Shield services in Pennsylvania are disputing jurisdiction of out-patient diagnostic service, with the state insurance department as referee. Lehigh Valley Blue Cross of Allentown and Blue Cross services at Pittsburgh and Harrisburg recently filed a proposal for addition of such service. Blue Shield objected, claiming this was a departure from hospitalization into the area of physicians.

Commissioner Smith has deferred hearings to head off a public fight until the two services can agree on jurisdiction. Blue Shield intends to draft an explanation to subscribers that it pays doctor bills while Blue Cross pays hospital bills. The two groups are currently cooperating in a master contract for the controversial diagnostic services covering United Steelworkers of America.

## WANT ADS

Rates—\$22 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance. THE NATIONAL UNDERWRITER—LIFE EDITION

## GROUP OPPORTUNITIES

Entering Group field in 1957, large Eastern life insurance company has unique opportunities for individuals with Group sales experience and for individuals with Home Office Group experience who are interested in a Group Sales career.

Areas presently open or opening in near future include California, Colorado, Connecticut, Indiana, Maryland, Minnesota, New Jersey, New York, Wyoming.

Please write in detail giving experience and last salary to Box D-77, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Replies held in strictest confidence.

### A Message to Insurance Agents or Agencies Controlling Business Of Installment Consumer Credit Institutions

For a permanent insurance market and maximum commissions on credit life, accident and health and physical damage (comprehensive, fire, theft and collision) get full details of the Resolute Insurance Companies' Plan.

Learn how to complete facilities of these companies, specifically organized to write the specialized physical damage and credit life, accident and health insurance emanating from consumer credit institutions can help you.

Write today to E. K. Scribner, President, Resolute Insurance Companies, Resolute Building, Hartford 2, Connecticut.

Resolute Insurance Company  
Resolute Credit Life Insurance Company

### REGIONAL SUPERINTENDENTS WANTED

Rapid expansion has created important openings in Ohio, Virginia, Illinois, Florida and Arizona for men capable of recruiting, training and developing new Life Agencies. Position pays salary, expenses and production override. Give full details of experience, replies confidential. Write Box D-65, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

### CHIEF UNDERWRITER LIFE AND A & H

Progressive national organization located in Denver, Colorado needs man with 8 to 10 years Life Home Office Underwriting experience to direct new business section. Includes supervision of approximately 25 persons. Excellent opportunity. Our employees know of this ad. Send resume and salary requirements to Box D-78, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.



# New Mortality Table Adopted By NAIC

(CONTINUED FROM PAGE 1)

to the life committee reported in addition to the mortality table group. The subcommittee on group life decided to give further study to the idea of making changes in the NAIC model definition due to recent tax rulings which necessitate removal of sole proprietors and partners as insured under certain trustee types of group cover.

The subcommittee on commercial pension funds and trustee welfare funds decided not to amend its model bill. A uniform reporting blank for these funds should be adopted, the subcommittee said, going on to recommend that the developments in legislation in this field receive continued study.

## A&H Field Very Quiet

Attached to the subcommittee report were recommended annual statement blanks and instructions for pension and welfare funds. The subcommittee asked that it be given authority to confer with the U. S. Department of Labor in order to achieve greater uniformity in technical details and design of the blanks used by the state and the federal government. The first such conference would be held in February.

Variable annuities, for the last several years an absorbing topic at the commissioners' meetings, came in for considerable discussion at New Orleans with a concrete proposal submitted by Paul Revere Life that separate variable annuity companies be organized, owned by life companies, to sell variable annuities on a defined basis, with investment procedures also carefully defined.

## Paul Revere Plan Noted

The Paul Revere plan, described by J. W. Spillane, an attorney of that company, and prepared by Orville F. Grahame, vice-president and general counsel, followed the NAIC suggestion of 1955 that special variable annuity companies be organized to sell this type of business.

The proposed bill would authorize such a company and would define variable annuities, allow the variable annuity company to invest wholly or partly in common stocks or other equities subject to a 10% restriction of the total issued and outstanding common stock of such company, 5% of the unrestricted voting stock, and 5% of the assets of the variable annuity company.

Unit value of variable annuity contracts would be determined every six months and the data made available to the insurance commissioner and the annuitant. Values would be determined by the volume of the market value of the total assets of all investments purchased for variable annuity contracts by the number of such contracts issued. The company could also be authorized to write annuity contracts on an individual or group basis and could write a regular annuity

## \$400,000 Paid Up Capital

The variable annuity companies would have a paid up capital of \$400,000 and the commissioners would have the authority to determine the good repute of the incorporators and their intention to operate the companies.

The Paul Revere proposal was opposed by Massachusetts Mutual Life. NAIC was reminded by Robert Crichton of Variable Annuity Life

that there is a division in many states as to who would control variable annuity contracts, the insurance commissioner or the securities commissioner, and he said he hoped this matter would be cleared up. It was pointed out that NAIC has adopted a statement saying that supervision of these companies should come under the jurisdiction of the insurance departments.

In the accident and sickness field activity was at a minimum. This was a relief to the A&S industry representatives, one of whom remarked that the business has had its share of controversy and legislation and there should be a time interval in which this can be digested.

Gerber of Illinois, presiding at the meeting of the credit life and credit A&H legislation subcommittee, read the proposed changes in the model bill, which amount primarily to editorial revisions.

Wikler of New York commented the bill contains no standards on the score of benefits in relation to premiums, and Roger Downey of the New York department commented that the credit life supplement is incomplete and the instructions are inadequate. This is the supplement filed in 31 states on May 31, and Mr. Downey said he would like to have it amended by referring the problem to the blanks committee with the suggestion that there be included information on direct writings and the increase in unearned premium reserve and the amount of earned premiums for all states. This suggestion was adopted.

Oren Pritchard, Union Central Life, Indianapolis, president of National Assn. of Life Underwriters, asked if the credit life and credit A&S model bill would permit lending institutions to sell insurance in addition to making a loan, and Mr. Gerber said that it would if a state licenses individuals with lending institutions. The bill does not go beyond the present licensing law of any states.

## NALU Put On Record

Mr. Pritchard then put NALU on record again as opposed to the payment of commissions to lending institutions or any person connected therewith.

The subcommittee to study greater standardization of Blue Cross-Blue Shield regulations adopted a resolution presented by T. R. Balaban of the Pennsylvania department, that the parent committee authorize the setting up of an apparatus for the voluntary interchange, on a confidential basis, of survey procedures and other information of the various groups presently studying non-profit hospital and medical service plans for distribution to and the use of the commissioners. The suggestion was adopted by the parent non-profit hospital and medical service associations committee.

## Defines Double Duty Dollar For St. Louis Life Agents

The double duty dollars of life insurance were described by H. Bruce Palmer, president Mutual Benefit Life, at a continental breakfast of St. Louis Life Underwriters Assn.

The head side of the double dollar is the \$415 billion of insurance in force as of Jan. 1, 1958 and the \$500 billion which will probably be attained by the close of this year. The tail side of the coin, Mr. Palmer said, is the

\$103 billion of reserve dollars at the first of this year which is intended to provide happiness, retirement needs and opportunities along with annuities and pension funds.

Mr. Palmer said he was concerned about the enormous amount of term life that is being sold these days and pointed out that some companies have 30 to 40% of their volume in term. "We have to create future buying power by selling the head side of the dollars. We've got to create more credit and more borrowers, not idle dollars. The head side of dollar keeps the gears of the American industry going."

## Russian Delegation Hears U. S. Side Of Insurance Story

(CONTINUED FROM PAGE 2)

security through the government; voluntary plans established by employers for employees, and voluntary savings of individuals through various channels of their own choosing. He reported on the rapid growth of the voluntary pension plans which have developed aggregate reserves of \$34 billion to date and are estimated to reach \$75 billion or better by 1965.

## 70% Of People Covered

In Mr. Miller's discussion of the voluntary system of protection against the expense of medical care, he said that the number of persons covered by hospital care plans alone is now 121 million or 70% of the people. He pointed out that the cost of medical care in this country adds up to the equivalent of about two weeks income and a large part of this is now covered by the various insurance plans. The vital role of the salesman in the development of this health care program was stressed.

The Russian delegation included Konstantin Dolgov, deputy minister of social security; Mrs. Vasilya Sadykova, minister of social security in the Republic of Uzbek; Ivan Dolgushev, chief of the Sverklvsk oblast social security section; Dr. Dmitri Gritskovich, director of the central Scientific Research Institute for determination of Labor Fitness & Organization of Invalids work; and Lyakhovsky, of the foreign relations section of the soviet ministry of social security.

Thomas W. Ireland of the State Department acted as interpreter for the session.

Robert J. Myers, chief actuary of the social security administration, arrived from Washington for the day, to be present for the discussion. He was accompanied by Arthur E. Hess, assistant director of the bureau of OASI in charge of the division of disability operations in Baltimore, and Mrs. Corinne Wolfe, chief of the technical training division, bureau of public assistance, Washington. These three were members of the American delegation which recently toured the Soviet Union on a similar study by American social security officials of the Russian system.

Also at Friday's meeting were Bertam Wiener, administrative assistant of the regional office of the department of Health, Education & Welfare at New York City; G. Hindkley Porter, information specialist, bureau of OASI in Washington; and Richard E. Branham, assistant director of the OASI bureau in charge of the division of claims control in Baltimore.

Postal Life has reduced the minimum face amount on its executive special life paid-up at 90 policy from \$15,000 to \$10,000.

## Agents May Request Minimum Deposit

(CONTINUED FROM PAGE 1)

deposit sales, will be represented by its president, Merrill P. Arden, Connecticut Mutual, New York City, and J. Milton Edelstein, Connecticut Mutual, Chicago, chairman of the AALU legislative committee.

## Needs Large Panel

Mr. McCarty, explained, in answer to questions from THE NATIONAL UNDERWRITER, that he is seeking to get enough nominations to have a "panel" of two or three times the 18 or 20 who will actually participate in the conference with the department people. This reserve strength is needed so that in case of unexpected absences it will still be possible to have essentially the same range of viewpoints.

In addition to a broad range of viewpoints, the aim is to have a balance between New York City and upstate representation.

"We don't want to load this meeting in favor of any viewpoint but to do all we can to see that the superintendent gets the clearest and most complete picture of what's going on in the state with respect to minimum deposit," said Mr. McCarty.

## Four Picking N. Y. Nominees

In New York City, where the complaints about twisting in connection with minimum deposit sales have been particularly numerous, the choice of nominees for the area has been placed in the hands of Charles J. Buesing, Mutual of New York, outgoing president of New York City Life Managers Assn.; Benjamin D. Salinger, Mutual Benefit Life, incoming president of the association; Charles Anchell, New York Life, president of New York City Life Underwriters Assn., and Jack R. Manning, managing director of both associations.

The conference with the producers representatives will be on the same "closed doors" basis as the company conference Dec. 5. Neither the press nor any others than the designated participants will be permitted at the session, on the theory that those present will talk more freely if their remarks are not being recorded for publication.

## May Hold Press Conference

The department expects to hold a press conference soon after the conference with the producers representatives, as it did following the company conference. However, Superintendent Wikler was a casualty of the change from a Democratic to a Republican administration and it is possible that a new superintendent may be appointed by Jan. 5, in which case the decision on holding a press conference would be up to him.

No meeting has been scheduled for the company advisory committee and department people, though it is expected that one will be called before long.

## E. A. Arnold Misidentified

E. Allen Arnold, whose name appeared in the account of the Actuarial Club of the Pacific States meeting reported in the Nov. 22 issue, is vice-president (at San Francisco) of the Warner-Watson actuarial consulting firm and has never been with the Milliman & Robertson firm, with which he was erroneously identified in the article.



## THE D. L. B. AGENT'S SERVICE

will help put YOU in

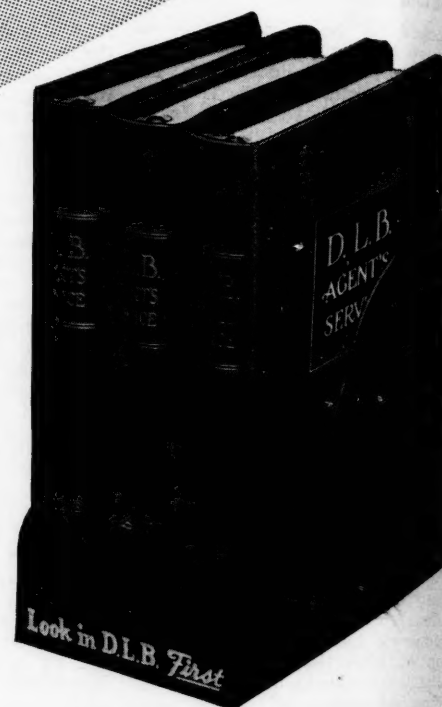
THE **Spotlight**  
OF **Success!**

... FOR GENERAL AGENTS AND MANAGERS the Service provides:

1. continuous organized material unexcelled for training purposes because it not only covers 40 weeks of controlled study, including field assignments and thought-starting questions, to help in the organization and motivation of new men, but continues indefinitely to provide stimulation and self-training after the 40 weeks of supervised study. The Training Manual edited for use with the D.L.B. AGENT'S SERVICE, is flexible so that it can be used in any company's program.
2. continuous up-to-date source of inspiring new selling ideas and field-tested methods for agency meetings and bulletins, and for keeping underwriters on the selling track.
3. continuous up-to-date production aid to help you develop career life underwriters who are better informed . . . more skillful . . . more self-confident . . . and who can go out and earn more money!
4. continuous problem-solver and morale-builder to help you help underwriters get greater frequency of sales, even during early months in the business.

... FOR CAREER LIFE UNDERWRITERS the Service provides:

1. continuous up-to-date source of new field-tested selling ideas and methods which help you to become better informed . . . more skillful . . . more self-confident . . . and to earn more money!
2. continuous problem-solver and morale-builder kept always up-to-date by new pages issued each month; it is especially edited to help you develop the highly desirable habit of continuous self-education.
3. continuous personal production aid . . . hundreds of successful career life underwriters have testified voluntarily that the new ideas in the Service helped them close 10, 20, and even as many as 30 cases during the first weeks after they started to use it!
4. continuous organized course of study that is so flexible it can be used along with, or after completion of, the training material offered by any life insurance company.



### What You Get

Three 7 x 9" loose-leaf volumes containing practical, useable selling ideas and methods kept always up to date by new pages issued each month. The volumes are indexed and tabbed for ready reference under 14 sections: You, Life Insurance, Investments, Prospecting, Social Security, Sales Talks, Programming, Selling to Women, Motivation-Building Prestige, Objections, Managing Your Business, Letters-Advertising, Settlement Options, Closing. A handsome, sturdy, metal bookstand (as illustrated) is supplied with each three-volume set.

**DIVIDEND EXTRA — ODDS & ENDS** . . . stimulating digest sent as a "plus value" monthly to all subscribers . . . is a special motivating feature of the D.L.B. AGENT'S SERVICE. Every month it is filled with practical, motivating sales ideas and fresh, gripping human-interest stories. It contains many facts interesting to prospects and policyowners alike. Subscribers are enthusiastic . . . call it "timely!", "helpful!", "inspiring!", and "valuable!"

### Guaranteed!

If for any reason you are dissatisfied with this Service, return it within thirty days from date of your order and the price paid, plus the postage, will be refunded without question. This special money-back offer assures complete satisfaction.

Write on your letterhead for your "approval" set today!

# D. L. B. AGENT'S SERVICE

Department of: **THE NATIONAL UNDERWRITER COMPANY**

420 East Fourth Street Cincinnati 2, Ohio



s!

nactical,  
up to  
nes are  
ecting  
ling to  
Man-  
lement  
okstall  
ne set.  
mulat-  
ll sub-  
of the  
filled  
grip-  
facts  
Sub-  
"help-

service,  
order  
unded  
offer